

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
1989 DRIVE FOR LIFE CAMPAIGN
NATIONAL PRESS CLUB
WASHINGTON, D.C.
SEPTEMBER 1, 1989

Thank you to Bill Young of Volkswagen USA and Micky Sadoff (**Say**-doff) of Mothers Against Drunk Driving for sponsoring this event today. Secretary Skinner and I have tremendous respect for the work you are doing -- and, like many of us at the Department of Transportation -- a keen awareness of the work that remains to be done.

Labor Day weekend is an appropriate time to hold the 'Drive for Life' campaign -- a campaign of hope and responsibility that saves lives by reminding Americans again of the danger of driving under the influence of alcohol or drugs. And the danger is great.

Millions of lives have been lost or irreparably damaged by alcohol-related crashes. In the U.S. last year, over 23,000 people died and 500,000 were injured in alcohol-related traffic crashes. From 1982 through 1988, alcohol was a factor in the traffic deaths of 166,000 people -- 65 fatalities every day, one death every 22 minutes, and one injury every minute.

The statistics are appalling, but they tell only half the story -- the other half of the story has been our tolerance for the behavior that leads to figures of this magnitude.

This is why the work of MADD and the support of responsible industry representatives like Volkswagen USA is so important. Over the last eight years, this support has had a noticeable impact on society. Attitudes toward drinking and driving are changing -- a change that can be measured in saved lives. From 1982 to 1988, the proportion of fatalities involving intoxicated drivers dropped 17 percent, and the Gallup Organization reports that 78 percent of all Americans would be willing to serve as a "designated driver" -- an individual who does not drink on some nights out, and takes responsibility for driving friends home safely.

The Bush Administration is committed to making further progress in the battle against drunk driving. President Bush has specifically identified the reduction of alcohol and drug-related highway crashes as a key transportation safety goal for his Administration.

As America heads toward the traditional last weekend of summer, I ask all motorists to drive safely by obeying traffic laws, wearing safety belts, and keeping alcohol out of the driver's seat. Only a conscious effort on the part of every individual to drive sober will create a lasting reduction in the number of drunk driving deaths and injuries -- and break down society's tolerance for this ongoing tragedy.

In support of this effort, I am proud to present Volkswagen USA and MADD with a copy of President Bush's proclamation designating the Labor Day weekend, September 2 through 4, as "National Drive for Life Weekend," asking all Americans to pledge not to drink and drive this weekend.

[PRESENT DECLARATION]

I'll be driving with my lights on tomorrow to symbolize my adherence to that pledge -- and I urge all Americans to do the same.

Thank you very much.

1.9

ADVANCE PRESS COPY

Contact: Bob Marx
Tele.: (202) 366-4580

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES &
AIRPORT OPERATORS COUNCIL INTERNATIONAL
SEPTEMBER 11, 1989
WASHINGTON, D.C.

Good afternoon, ladies and gentlemen, and thank you for inviting me to join you here at your Fall Legislative Issues Conference. In looking over the agenda, it is apparent that you are addressing some of the most challenging issues facing aviation today.

I would like to start by citing several observations on the state of America's aviation system. The first is from *A History of Aviation* by Loyola University Professor Rochester, who wrote:

"During peak hours, there could be as many as 175 planes simultaneously airborne over New York terminals -- crowded radarscopes, jammed posting boards, and nerve-wracking situations are becoming commonplace . . ."

A well known national magazine also reported:

"The truth is that the air traffic equation is dangerously imbalanced, with too many planes and passengers, not enough airports and electronic gear; and too few men trained to control it."

These statements could have appeared in this morning's newspaper, yet Professor Rochester is describing the aviation system as it existed in 1956. The second quotation is from the August 9, 1968 issue of *Life* magazine.

Clearly, the challenges facing aviation in 1989 are not new. The major difference today is that economic deregulation and sustained economic growth have stimulated change at a faster rate than ever before. Change is the only constant in 1980s aviation.

With that factor in mind, I want to discuss some of the initiatives which government and industry are taking to create a better environment in which airports can compete and improve their services to the flying public.

First of all, Secretary Skinner and I believe that one basic way to serve the interests of your industry is to maintain and enhance the FAA's status as the world's premier aviation safety organization -- and retain it as an integral part of the Transportation Department. Aviation is a crucial link in our national transportation system and an essential element in the nation's economic foundation. Organizationally, it must remain within the DOT to assist in the essential task of developing a truly coordinated national transportation policy for America's future.

I also believe that an independent agency would not solve the problems facing the FAA and the aviation community. Having served as chairman of an independent agency, I can say to you that cabinet status -- or the lack thereof -- is of great importance in determining whether one's opinion is heard where it counts in this government: At the top.

Admiral Busey is currently chairing an internal working group on FAA reform which will identify the strengths and weaknesses of the federal role in aviation and make proposals regarding the procedures and practices of the Agency. Key staffmembers have consulted with your organizations in the development of these proposals, and will continue to do so as they are refined.

As we work toward improving oversight of the aviation industry, there are a number of key issues that must be addressed. One of the most important -- and most familiar to you -- is airport capacity.

The economic deregulation of the airline industry is one of the major success stories of the 1980s. A 1986 Brookings study estimated that airline travelers have benefited by about \$6 billion per year in lower costs and more frequent flights. Once the exclusive province of the elite, more people are flying than ever before. Since the Airline Deregulation Act was passed in 1978, the number of passenger boardings have grown by over 100 million -- an increase of 40 percent. One of the many positive results of this expansion -- as you all are well aware -- is that local airports have become engines of regional economic growth. Unfortunately, they have also become centers of transportation congestion.

Even if the air traffic controller work force were doubled tomorrow, inadequate airport capacity would still inhibit this country's ability to meet the demand for aviation services. Clearly, more large airports and reliever airports must be built.

As you know, construction of new airports is a contentious issue in many communities. I don't have a magic wand to resolve that issue, but success requires that government at all levels reach a consensus favoring more and larger airports to serve both commercial and general aviation. It is going to require strong leadership from both government and industry.

I don't need to dwell at great length on the need to expand airport and airspace capacity -- you know the problems first hand. And you also know that it takes more than technology and commitment to maintain and expand a safe and efficient national air system. It also takes money.

The federal government is committed to promoting aviation. Between 1982 and 1989, the FAA budget more than doubled -- increasing from \$3.1 billion to the current level of \$6.4 billion per year. This Administration is requesting \$7.4 billion for 1990 -- another very substantial increase.

Since 1982, the FAA has received more than \$39 billion to operate, update, and expand the national aviation system. Of that money, only \$22 billion has come from the Aviation Trust Fund. The rest was provided by the general taxpayer. In 1989, \$3.7 billion in aviation taxes will be paid -- but total aviation spending will be \$6.4 billion, far exceeding the taxes collected.

I cite these figures in order to refute allegations that aviation users pay more in taxes than they receive in benefits. It is simply not true.

While there will be an unspent balance of \$6.9 billion in the Trust Fund by the end of 1989, virtually all of that balance is attributable to the so-called "penalty provision" in the 1982 law.

When congressional appropriations for FAA capital programs fail to reach authorized spending levels, the penalty provision takes effect: for every \$1 shortfall in capital appropriations, a \$2.50 cut in Trust Fund allocations is applied to FAA operations. Consequently, Trust Fund revenues since 1982 have covered only 57% of the FAA budget, instead of the 70% authorized.

Releasing Aviation Trust funds for their intended use became more complicated in 1987, when Congress enacted the "tax trigger," specifying that aviation user fees will be cut by 50% if appropriations for FAA capital programs don't equal at least 85% of authorized levels in 1988 and 1989.

Despite our best efforts, appropriations for these two years totaled only 80% of authorized levels. Unless Congress steps in, an automatic reduction of aviation user fees will occur on January 1, 1990 -- causing a \$1.2 billion loss of Aviation Trust Fund revenues in 1990 alone.

Like you, I want that money spent where it is needed. The Administration has proposed repeal of the tax trigger. It is imperative that the Aviation Trust Fund be maintained as a reliable, dedicated source of revenue for aviation needs.

Another topic which has been the focus of congressional hearings this year is the growing international problem of aircraft security.

The Transportation Department is committed to taking all reasonable steps to fight terrorist acts against civil aviation. The differences between industry, Congress, and the Administration do not diminish the shared common ground of working to protect the safety of the American public.

In the past 20 years, this country has experienced many different forms of terrorism -- and seen terrorism live and in color on our living room televisions. It demands our attention and requires our action.

I met with the families of those who died on PanAm flight 103. This kind of senseless murder must never happen again.

Like many problems facing aviation, the solution requires a team effort -- in this case, close cooperation among sovereign nations and stringent security measures adopted throughout the international aviation community. The goal is to achieve a common recognition by governments throughout the world that something more needs to be done to ensure security from terrorist bombs.

The Department of Transportation is also requiring the deployment of explosives detection devices. A new rule requires U.S. airlines to use automated explosive detection systems to screen checked luggage at international airports here and abroad.

While a particular technology is not specified, the thermal neutron analysis (TNA) device has demonstrated the highest degree of explosive detection ability. The FAA has purchased six TNA units, and the first one has been installed in the TWA terminal at New York's Kennedy Airport.

The cost of funding the purchase of TNA-type explosives detection equipment should be borne by the private sector, not the aviation trust fund. Airlines have adequate resources to purchase explosives detection equipment -- using the existing security surcharge approach to international flights and through minor increases in domestic ticket prices. The federal presence is primarily needed in research and development, where since 1982 the FAA has invested over \$61 million in security R&D, of which \$47 million was for TNA and vapor detection devices.

I am aware of criticism that thermal neutron analyzers are not foolproof -- that the machines are bulky and take up valuable space, and that better technology will soon be developed.

However, it is the best technology available today, and must be utilized for the greater safety of the flying public. Taken together with other defensive actions, explosives detection technology is part of a total security system that increases the probability of explosives detection. I am convinced that these technologies contribute to a more effective deterrence of criminal acts against aviation.

Additional security personnel are also being hired. This year, the FAA's civil aviation security workforce was augmented by an additional 56 personnel, with requests for 120 more security positions in the FY 1990 budget. The security force would then total almost 700 men and women.

These and other initiatives make it clear that when you walk through a U.S. airport and see magnetometers and security guards -- you are looking at only the most visible part of one of the world's most advanced security networks.

The final topic I would like to address is leveraged buyouts and their effect on the competitiveness of U.S. airlines.

This year, the financial community seemed to take a sudden interest in the value of the airline industry. The response has been numerous attempts by various groups to acquire major U.S. air carriers.

Why should the Department care about increased leveraging of the industry? As a former banker, I don't believe debt, in and of itself, is evil. Carriers have always used debt to purchase equipment and fund expansion. Some economists argue that

LBOs constitute a positive development by maximizing value to investors, eliminating inefficient management, and providing incentives for companies to divest underperforming assets and concentrate on profitable ones. The Department's concern is that airline cash flow may be so strained by debt that it compromises the carriers' ability to run a safe and efficient airline.

As many of you know, the Department conducts a thorough fitness evaluation of major airline takeovers. This policy is vigilantly maintained, and designed to ensure that safety remains a top business priority.

The Department is also carefully monitoring foreign airline participation in industry takeovers. Federal law precludes foreign control of U.S. carrier operations and ownership levels exceeding 25% of the corporate voting stock. If a carrier's fitness is adversely affected by an LBO -- or that control has passed into non-U.S. hands -- the Department will take appropriate action.

Secretary Skinner and I are working closely with the industry and Congress to ensure that opportunities to support airport development -- and aviation generally -- are not lost, and that the industry retains its important place on this country's national agenda. It's a simple fact: Safe and efficient airports serve all Americans, and form a basic building block for the productivity of the U.S. economy.

What we do in the next few years will chart the course into the next century. With your help, I am confident we will make the right choices.

Thank you very much.

not hesitate to

*eliminate the
negatives*

DRAFT

REMARKS PREPARED FOR DELIVERY BY
 DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
 INAUGURAL CEREMONIES: SOUTH KEARNY STACKTRAIN TERMINAL
 SOUTH KEARNY, NEW JERSEY
 SEPTEMBER 14, 1989

Put on cards

Thank you for that kind introduction. It is great to be here in the New York/New Jersey area. ^{*This area is one of the*} ~~one of the~~ busiest ports in the nation, birthplace of land/sea containerization, and the best place to see what is happening on the cutting edge of modern transportation facilities.

I had the pleasure of ~~After my tour~~ ^{*of this facility*} ~~that~~ ^{*And it's clear*} ~~After my tour~~ this morning, I am convinced it is happening right here. The South Kearny Inland Marine Terminal is a state-of-the-art container, rail, and truck transfer point second to none in the world. In terms of transfer technology, ladies and gentlemen, this is the top of the line.

It is very encouraging to see enterprises such as American President Companies willing to make the kind of investments that will help themselves -- and this country -- stay competitive in world trade. How well this nation moves its commerce -- how quickly and efficiently our system transports passengers and freight

-- will dramatically influence America's future as a trading nation.

Competition in international markets requires the kind of vision demonstrated at this terminal. It is no secret that many of our competitors have lower labor costs and enjoy government subsidies. The United States is not just competing with foreign engineers and workers, but also with their schools, trade policies, health care systems, and, perhaps most of all, their transportation network.

Secretary Skinner and I are committed to developing a comprehensive national transportation policy which recognizes these facts. This policy will be intermodal in nature, with an eye toward what it takes to compete in the emerging global market. In other words, it will be very much like the facility dedicated here today.

would like to
I [^]congratulate the American President Companies for recognizing the importance of applying the latest technology to manage a multi-modal transportation company, ~~and~~ ^{and} perhaps most of all, for realizing that trains, trucks and highways are as vital as ships when it comes to keeping a maritime company thriving.

Leadership like this deserves the rewards that are sure to come.

Again, it is a pleasure to participate in this dedication. Good luck, and thank you very much.

p. 12 : (1) Phrasing of 2d Mutally Award 1.17
(2) IS IT TO Him? or him + crew?
REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
HONORED SEAMEN AWARDS
ADMIRAL OF THE OCEAN SEA DINNER
SHERATON CENTRE HOTEL
NEW YORK, NEW YORK
SEPTEMBER 15, 1989

DRAFT

(3) p. 9 Gross pronance?
[INSERT TWO MINUTES OPENING REMARKS]

[PRESENTATION OF AWARDS]

**MARINER'S ROSETTES ARE GIVEN
IN RECOGNITION OF OUTSTANDING COURAGE AND
DEVOTION TO DUTY**

NUMBER 1

**MARINERS ROSETTE TO MARILYN E. DAMIECKI
(DAH - ME - ECK' -EE)
Second Assistant Engineer
Motor Vessel PFC DWAYNE T. WILLIAMS
American Overseas Marine Corporation
August 5, 1988**

Ms. Damiecki came to the aid of an injured cadet and evacuated him from the confines of the engine room to the main deck for emergency care. Her quick actions were credited with greatly reducing the injuries to the young man, who was in danger of losing his left arm.

Accepting the Mariner's Rosette for Ms. Damiecki is Company President, Captain Bill Fennick.

NUMBER 2

MARINER'S ROSETTE TO STACY TAIBL (TAI' - BULL)

Dock Supervisor, Oceanic Steamship Company

Port of Miami

October 4, 1988

A trapped seaman overcome by fumes while in the hull of a small freighter is alive today thanks to the rescue efforts of Stacy Taibl. At least 15 crewmembers and rescuers barely survived the effects of deadly carbon monoxide gas, which claimed the life of Mr. Taibl as he dragged the stricken seaman to safety.

Mr. Taibl's wife, Judi, has traveled here from Florida to accept his posthumous Mariner's Rosette tonight.

NUMBER 3

MARINERS ROSETTE TO CAPTAIN. WAYNE COURTNEY

MONTEGO BAY, JAMAICA

September/October 1988

Sailing from the U.S. Gulf to Tama, Ghana to deliver two shrimp boats to an Ashanti tribe, Captain Courtney sought shelter during Hurricane Gilbert in Montego Bay, Jamaica. While there, he aided 470 stranded tourists, and used his communication skills, equipment, and reserve of clean water to assist residents who were cut off from the world for a period of time. He ultimately continued on his voyage across the Atlantic, braving two tropical storms and yet another hurricane to safely deliver his cargo.

Accepting the Mariner's Rosette tonight is . . .(TBA)

**THE AOTOS MARINER'S PLAQUE FOR OUTSTANDING
SEAMANSHIP IN RESCUE OPERATIONS AT SEA.**

**GIVEN TO OFFICERS AND CREWS OF AMERICAN
VESSELS**

NUMBER 4

**FOR THE MASTER, OFFICERS, AND CREW OF THE TUG
MARINE EXPLORER**

**United Marine Tug and Barge; Gulf of Alaska
December 26, 1988 to January 12, 1989**

The tug MARINE EXPLORER was enroute to Dutch Harbor, Alaska, towing a 280-foot barge laden with two million gallons of diesel, when the crew noticed that the barge was beginning to sink. During the 18-day odyssey, with constant Coast Guard monitoring, the crew -- with Captain Charles Langstaff at the helm -- kept a constant vigil during the perilous journey along the craggy coastal rocks, despite strong winds and currents, as well as frequent icing. When the MARINE EXPLORER reached deeper waters, the Coast Guard Cutter SEDGE sank the barge with rounds of gunfire. The entire episode averted a severe hazard to navigation in the Gulf of Alaska, as well as widespread sea and coastal contamination.

Tonight, both Captain Langstaff and Deckhand and Cook Michael Welch have traveled here from the Pacific Northwest to accept this well-deserved plaque.

NUMBER 5

**FOR THE MASTER, OFFICERS AND CREW OF THE LNG
CAPRICORN**

**Energy Transportation Corp. enroute to Singapore
October 22, 1988**

The radio officer of the LNG CAPRICORN received a distress signal from the Panamanian-flag vessel the M/V EVPO (**EV' - POE**) ACYSPYR (**AX' - PER**) that it was foundering at sea. Captain John Hoffman quickly altered course and went full steam ahead to the troubled vessel. The CAPRICORN, a 936-foot vessel -- as long as a 90-story building is tall -- dramatically maneuvered alongside a lifeboat. Employing safety and rescue techniques, the crew put themselves at great risk as they methodically rescued every one of the 27 crew members who had abandoned the stricken vessel, with no loss of life or serious injury.

To honor this successful mission, Chief Mate Davis Breyer will accept the Mariners' Plaque.

NUMBER 6

**FOR THE MASTER, OFFICERS, AND CREW OF THE U.S.
NAVY TUG NARAGANSETT
Military Sealift Command, Pacific Ocean
October 13, 1988**

A crew member on the tug called the rescue of a family of six drifting 550 miles northeast of Hawaii "like a beautiful dream." Clint Fleishour of San Diego, and his five young sons, aged eight to seventeen, had

departed Southern California in the family's 33-foot sailboat PALOMA, but were hit by a squall and drifted off course. The tug, with Captain Gene Cox at the helm, spotted an SOS signal, and found the family -- who had lived through the 33-day ordeal and gone without food for 13 days, and without water for three. They were living on toothpaste and tabasco sauce. The youngest child was near death. The crew of the NARAGANSETT rescued the family, and transported them to Honolulu for medical attention. All survived.

I am pleased to have Captain Gene Cox accept this plaque in recognition of this merciful rescue.

NUMBER 7

FOR THE MASTER, OFFICERS AND CREW OF THE M/V CHARLOTTE LYKES

**Lykes Brothers Steamship Company, Atlantic Ocean
May 4, 1988**

As her 31-foot trimaran lost a mast and rudder in squalls and gale-force winds just 450 miles northeast of Bermuda, Ms. B.J. Watkins sent a distress signal which was picked up by the U.S. Coast Guard. The CHARLOTTE LYKES, a containership enroute to Europe from the U.S. Gulf, was in turn contacted by the Coast Guard. The

vessel diverted from its route, and found Ms. Watkins in 15-foot seas and 30 knot winds. The huge cellular vessel, with Captain Gregory George at the helm, maneuvered alongside the disabled craft and rescued Ms. Watkins. She disembarked with no serious injury in Rotterdam.

I am certain Ms. Watkins strongly endorses the presentation of this plaque to Captain Gregory George.

NUMBER 8

FOR THE MASTER, OFFICERS, AND CREW OF THE M/V ISLANDER

**Woods Hole, Martha's Vineyard and Nantucket
Steamship Authority
Great Harbor, Woods Hole, Massachusetts
July 29, 1988**

With 509 passengers aboard at the height of the summer season, the 191-foot ferry boat struck a rock ledge and became grounded while evading a small pleasure craft in heavy fog outside Woods Hole, Massachusetts. The men and women of the crew, under the direction of Captain Thomas Manley, displayed the highest degree of professionalism, courage, and cooperation as they located the rupture and stemmed

the flow of water into the engine room. The passengers and cargo were all safely and calmly transferred to another vessel, and a greater tragedy was averted.

Captain Thomas Manley is here to accept this Mariner's Plaque on behalf of the crew.

NUMBER 9

FOR THE UNITED STATES COAST GUARD

Air Sea Rescue Units

North Atlantic

December 28, 1988

Within 10 minutes after a distress signal was received at the Sandy Hook station from the American Captain James Grose, the containership LLOYD BERMUDA carrying a crew of 11, sank in a heavy winter storm off the New Jersey coast. The SOS was relayed, and two Coast Guard helicopters and a twin-engine jet converged on the location. The mission included refueling the aircraft and an incredible search and rescue effort that put the Coast Guardsmen at enormous personal risk. While aircraft kept constant surveillance, the search for survivors continued. The M/V EAGLE, a Canadian merchant ship, was diverted to the area and picked up three survivors who had tied

themselves together, but one slipped into the sea during the rescue attempt. A Coast Guard helicopter later found a third survivor lashed to floating boards. Eight seamen perished. The entire effort utilized U.S. Coast Guard pilots, seamen, divers, and swimmers, who fought 25-foot waves, 52-mile-an-hour winds, and 45 degree seas to effect the heroic mission.

Accepting for the U.S. Coast Guard -- with our thanks for their devotion to duty -- is Lieutenant Paul Ratte (Ra - Tay')

NUMBER 10

FOR THE MASTER, OFFICERS, AND CREW OF THE USNS SEALIFT CHINA SEA

**On charter to the U.S. Navy's Military Sealift Command
from Marine Transport Lines, South China Sea
November 4, 1988**

As the USNS SEALIFT CHINA SEA was steaming toward Japan from Singapore, Captain Joseph C. Mullally (Mull - Lah' - Lee) II responded to an SOS from Kaohsiung, Taiwan, indicating the M/V GOLDEN PARK, a Panamanian-flag ship carrying a cargo of forest products, was in distress. The rescue of 17 of the 22 crewmen was carried out on a moonless night with 40-

knot winds buffeting both ships and seas up to 25 feet hampering the effort. With determination, Captain Mullally maneuvered the 587-foot tanker alongside the GOLDEN PARK. Placing themselves in harm's way, individual seamen aboard the SEALIFT CHINA SEA -- in the finest tradition of the brotherhood of the sea -- undertook specific acts of heroism at great personal risk to effect the rescue. Lashings broke on the deck of the stricken ship, sending some of its cargo of logs and other debris into the sea which then hammered away at the hulls of both ships. Five members of the Taiwanese crew, including the GOLDEN PARK's captain, died in the disaster.

I am honored to have Captain Mullally here tonight to accept this plaque to forever mark this act of heroism.

[PRESENT PLAQUE]

I'd like to ask Captain Mullally to stay on the floor for another presentation.

Each year, the Maritime Administration also selects acts of heroism to be considered for recognition through the American Merchant Marine Seamanship Award.

The winner must be an American citizen on a civilian U.S.-flag ship performing a feat of distinguished seamanship, an action of professional competence in the presence of extreme peril to life and/or property under severe or adverse weather conditions.

The trophy will be on display at the U.S. Merchant Marine Academy at King's Point, New York, and Captain Mullally will receive a plaque which reads:

Mullally

"The extraordinary seamanship of Captain Mullally and the heroic, persistent, and gallant efforts of his crew under extreme weather conditions uphold the highest traditions of the sea. In saving human life and in the demonstration of the most excellent qualities of seamanship, Captain Mullally and the crew of the USNS SEALIFT CHINA SEA qualify as winner of the 1989 American Merchant Marine Seamanship Trophy."

I am delighted to be able to make this double award to Captain Mullally. Congratulations.

1.16

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HONORED SEAMEN AWARDS
ADMIRAL OF THE OCEAN SEA DINNER
NEW YORK, NEW YORK
SEPTEMBER 15, 1989

Good evening. It is a great honor for me to join you in a tribute to the best in your business -- and to individuals whose personal example and courage also represent the best in human behavior.

These awards are to the people actually out there on the seas -- who put themselves at personal risk to save others, and sometimes lose their own lives in the effort.

If I may take liberties with the lyrics of our national anthem, these men and women personify the basic truth that America is the land of the free -- because it is the home of the brave.

Tonight, several ship captains are here to receive an award, but I'm sure they would be the first to acknowledge that a successful rescue depends, above all, on teamwork. They accept these awards not only on behalf of themselves, but also for the crews who are, by any definition, heroes.

A key member of that team -- though often unheralded -- is the radio officer. They are heroes, too -- serving on the frontlines by picking up and transmitting distress signals, staying in constant touch, and often guiding all parties safely home.

In the final analysis, the risks taken by everyone involved are personal ones that go beyond the proverbial "call of duty." All of us have something to learn from those receiving awards tonight.

Let me begin the ceremonies with presentation of the Mariner's Rosettes.

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IN RECOGNITION OF OUTSTANDING COURAGE AND
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[NUMBER 1]

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Military Sealift Command, Pacific Ocean
October 13, 1988**

A crew member on the tug called the rescue of a family of six drifting 550 miles northeast of Hawaii "like a beautiful dream." Clint Fleishour of San Diego, and his five young sons, aged eight to seventeen, had departed Southern California in the family's 33-foot sailboat PALOMA, but were hit by a squall and drifted off course. The tug, with Captain Gene Cox at the helm, spotted an SOS signal, and found the family -- who had lived through the 33-day ordeal and gone without food for 13 days, and without water for three. They were living on toothpaste and tabasco sauce. The youngest child was near death. The crew of the NARAGANSETT rescued the family, and transported them to Honolulu for medical attention. All survived.

I am pleased to have Captain Gene Cox accept this plaque in recognition of this outstanding rescue.

[NUMBER 7]

**FOR THE MASTER, OFFICERS AND CREW OF THE
M/V CHARLOTTE LYKES
Lykes Brothers Steamship Company, Atlantic Ocean
May 4, 1988**

As her 31-foot trimaran lost a mast and rudder in squalls and gale-force winds just 450 miles northeast of Bermuda, Ms. B.J. Watkins sent a distress signal which was picked up by the U.S. Coast Guard. The CHARLOTTE LYKES, a containership enroute to Europe from the U.S. Gulf, was in turn contacted by the Coast Guard. The vessel diverted from its route, and found Ms. Watkins in 15-foot seas and 30 knot winds. The huge cellular vessel, with Captain Gregory George at the helm, maneuvered alongside the disabled craft and rescued Ms. Watkins. She disembarked with no serious injury in Rotterdam.

I am certain Ms. Watkins strongly endorses the presentation of this plaque to Captain Gregory George.

[NUMBER 8]**FOR THE MASTER, OFFICERS, AND CREW OF THE
M/V ISLANDER**

**Woods Hole, Martha's Vineyard and Nantucket
Steamship Authority
Great Harbor, Woods Hole, Massachusetts
July 29, 1988**

With 509 passengers aboard at the height of the summer season, the 191-foot ferry boat struck a rock ledge and became grounded while evading a small pleasure craft in heavy fog outside Woods Hole, Massachusetts. The men and women of the crew, under the direction of Captain Thomas Manley, displayed the highest degree of professionalism, courage, and cooperation as they located the rupture and stemmed the flow of water into the engine room. The passengers and cargo were all safely and calmly transferred to another vessel, and a greater tragedy was averted.

Captain Thomas Manley is here to accept this Mariner's Plaque on behalf of the crew.

[NUMBER 9]**FOR THE UNITED STATES COAST GUARD****Air Sea Rescue Units****North Atlantic****December 28, 1988**

Within 10 minutes after a distress signal was received at the Sandy Hook station from the American Captain James Grose, the containership LLOYD BERMUDA, carrying a crew of 11, sank in a heavy winter storm off the New Jersey coast. The SOS was relayed, and two Coast Guard helicopters and a twin-engine jet converged on the location. The mission included refueling the aircraft and an incredible search and rescue effort that put the Coast Guardsmen at enormous personal risk. While aircraft kept constant surveillance, the search for survivors continued. The M/V EAGLE, a Canadian merchant ship, was diverted to the area and picked up three survivors who had tied themselves together, but one slipped into the sea during the rescue attempt. A Coast Guard helicopter later found a third survivor lashed to floating boards. Eight seamen perished. The entire effort utilized U.S. Coast Guard pilots, seamen, divers, and swimmers, who fought 25-foot waves, 52-mile-an-hour winds, and 45 degree seas to effect the heroic mission.

Accepting for the U.S. Coast Guard -- with our thanks for their devotion to duty -- is Lieutenant Paul Ratte (Ra - Tay')

[NUMBER 10]

**FOR THE MASTER, OFFICERS, AND CREW OF THE USNS
SEALIFT CHINA SEA**

**On charter to the U.S. Navy's Military Sealift Command
from Marine Transport Lines, South China Sea
November 4, 1988**

As the USNS SEALIFT CHINA SEA was steaming toward Japan from Singapore, Captain Joseph C. Mullally (Mull - Lah' - Lee) II responded to an SOS from Kaohsiung, Taiwan, indicating the M/V GOLDEN PARK, a Panamanian-flag ship carrying a cargo of forest products, was in distress. The rescue of 17 of the 22 crewmen was carried out on a moonless night with 40-knot winds buffeting both ships and seas up to 25 feet hampering the effort. With determination, Captain Mullally maneuvered the 587-foot tanker alongside the GOLDEN PARK. Placing themselves in harm's way, individual seamen aboard the SEALIFT CHINA SEA -- in the finest tradition of the brotherhood of the sea -- undertook specific acts of heroism at great personal risk

to effect the rescue. Lashings broke on the deck of the stricken ship, sending some of its cargo of logs and other debris into the sea which then hammered away at the hulls of both ships. Five members of the Taiwanese crew, including the GOLDEN PARK's captain, died in the disaster.

It is a great honor to have Captain Mullally here tonight to accept this award to forever commemorate this act of heroism.

[PRESENT PLAQUE]

I'd like to ask Captain Mullally to stay on the floor for another presentation.

Each year, the Maritime Administration also selects acts of heroism to be considered for recognition through the American Merchant Marine Seamanship Award.

The winner must be an American citizen on a civilian U.S.-flag ship performing a feat of distinguished seamanship, [or] an action of professional competence in the presence of extreme peril to life and/or property under severe or adverse weather conditions.

The winner this year is Captain Joseph C. Mullally II and the crew of the USNS SEALIFT CHINA SEA.

The trophy will be on display at the U.S. Merchant Marine Academy at King's Point, New York, and Captain Mullally will receive a plaque which reads:

"The extraordinary seamanship of Captain Mullally and the heroic, persistent, and gallant efforts of his crew under extreme weather conditions, uphold the highest traditions of the sea. In saving human life and in the demonstration of the most excellent qualities of seamanship, Captain Mullally and the crew of the USNS SEALIFT CHINA SEA qualify as winners of the 1989 American Merchant Marine Seamanship Trophy."

I am delighted to be able to make this double award to Captain Mullally before this distinguished audience.

You have my admiration and congratulations.

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
HISPANIC HERITAGE WEEK CELEBRATION
WASHINGTON, D.C.
SEPTEMBER 19, 1989

Good morning. I am very pleased to be here representing Secretary Skinner at this opening of Hispanic Heritage Month celebrations at the Department of Transportation -- and to say to all of you: *bien venidos*.

In thinking about my comments this morning, I first noted the theme chosen this year for Hispanic Heritage Month: "Five Hundred Years of Hispanic Heritage 1492-1992 -- the Continuing Adventure."

It is a theme that looks both backward and forward -- saying that Hispanic Heritage Month is not an end in itself, but a time to remember, a time to plan, and -- just as important -- a time to pay tribute.

Through the centuries, people of Hispanic descent from Europe and throughout the Americas have written countless chapters in the unique saga of the United States.

In thousands of communities, Hispanic-Americans are a vital element in fostering achievements in fields as

diverse as the arts and industry, agriculture and education, religion and business, science and politics. Whether their roots are from Spain, Cuba, Puerto Rico, Central and South America, or Mexico -- they are building a better America.

Some of these contributors are right here at the Department of Transportation. This Department has been enriched by the quiet professionalism of Alicia Casanova, Director of the Office of Small and Disadvantaged Business Utilization, and I know you will join me in welcoming her in just a few minutes. Other Hispanics at DOT are working as air traffic controllers, air safety inspectors, engineers, managers, and executives. To all of you who serve this Department in any capacity, I am here to reaffirm Secretary Skinner's and my own commitment to providing equal employment opportunities for Hispanic-Americans. There is a long way to go to -- but progress is being made.

Hispanic businessmen and women are also winning more DOT contracts to provide services ranging from management consulting to high technology development. For example, from FY 83 through FY 88, Hispanic businesses competed for and won 21 percent of the total yearly Disadvantaged Business Enterprise

awards nationwide. -- and 26 percent of the total dollar amount. In addition, DOT federally-assisted highway dollar awards to Hispanic businesses increased by 62 percent, rising from \$240 million to \$389 million in the same period.

But success is not only measured in commercial and business accomplishments -- or in the political arena. Even though much of this month is devoted to honoring the progress of Hispanic economic and electoral influence, it is always the countless individuals who struggled so that others could see a better tomorrow that deserve the attention.

As a result of my own heritage, I identify so closely with the Hispanic sense of continuity between past and future -- and the basic cultural ethos of strong family attachment and obligation. As the great poet Octavio Paz has said: "In Hispanic morals, the true protagonist is the family." The strength of your heritage gives you hope for your children. There is an old saying: If only we are faithful to our past, we shall not have to fear our future."

So let us also pay tribute to the mothers and fathers who recognized the value of education and invested a lifetime of love and sacrifice to inspire the sons and

daughters of our generation. The Hispanic American tradition exemplifies the values of family, work, and love of country. When it comes to these basic building blocks of character, no group of citizens should be prouder than Americans of Hispanic descent.

Generations of proud, hardworking, Hispanic Americans have strengthened our communities and fought for our country. They have believed in America's promise -- and have helped preserve that promise for the future.

Ladies and gentlemen, it is an honor to be with you today.

Muchas gracias.

TALKING POINTS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
BROWN BAG LUNCH
SEPTEMBER 20, 1989

WELCOME:

- THANK YOU FOR COMING;
- OPPORTUNITY TO INTRODUCE MYSELF, AND GET TO KNOW YOU ON A MORE INFORMAL BASIS;
- ALSO AN OPPORTUNITY FOR MANY OF YOU TO GET TO KNOW EACH OTHER;

THE REAL GOAL IS TEAMWORK

- THE DOT TEAM FOR PRESIDENT BUSH IS ALMOST COMPLETE, AND I THINK IT IS THE BEST IN GOVERNMENT;
- THIS IS THE GROUP THAT WILL HELP MAKE SECRETARY SKINNER'S PRIORITIES A REALITY
- National Transportation Policy: first and foremost. We will restructure, repair and revitalize the

transportation system of this country. This is something that brings us all together, from maritime to rail to air. It is frequently said that the modes never work together. This effort belies that impression.

- Safety We do have and we will continue to have the safest transport system in the world.

I could go on. But my main point is that we have really important work here at DOT. And the people in this room -- with the support of all DOT employees -- must provide the leadership to move forward President Bush's and Secretary Skinner's vision of transportation in the 21st century. I hope you are as excited as I am about participating in this vital effort.

Now, I'd like to hear from you -- your ideas, experiences, problems -- Tell me about yourselves and your jobs.

-----Burnley Speech:

IMPORTANCE OF GOVERNMENT SERVICE.

- THOSE OF US WHO ARE POLITICAL APPOINTEES PARTICULARLY KNOW THAT IT IS A PRIVILEGE -- NOT A RIGHT -- TO WORK FOR THIS ADMINISTRATION;.

- IT IS ALSO IMPORTANT TO REMEMBER THAT ONE OF THE KEY ELEMENTS IN THE SUCCESS OF OUR DEMOCRACY IS THAT IT IS NOT RESERVED FOR SOME SELF-SERVING ELITE -- BUT STAFFED BY PEOPLE WHO ARE WILLING TO SERVE.

Under - I ASK ALL OF YOU TO BE PARTICULARLY SENSITIVE TO THE PROFESSIONALISM OF THE CAREER SERVICE. MANY OF YOU ARE MANAGERS -- REMEMBER THAT THOSE ~~SUBJECT TO~~ YOUR POWER ARE ALSO UNDER YOUR PROTECTION.

-- Don't lose sight of team work. A successful government, depends above all, on teamwork --- between the Executive Branch and Congress; between political appointees and career officials, and most importantly, teamwork motivated by the common goal of providing the best possible governance to our fellow citizens.

- The work of our Department, I believe, has a more direct impact on the everyday lives of more Americans than that of any other agency. It has often been said that America is a nation in love with the automobile. But it does not take much imagination to see the impact of transportation throughout our society.

I have continually been impressed by the high degree of professionalism and all around excellence demonstrated by this Department -- from my first day on the job at MARAD to today as Deputy Secretary.

I can honestly say that while it has always been very hard work, it continues to be invigorating -- and a lot of fun -- because of the people I have the honor of working with.

So , let me close with my sincere thanks to all of you for coming -- and for keeping up the high standard of work that will keep this Department the best in government.

1.13

TALKING POINTS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
DOT EXECUTIVE WOMEN
WASHINGTON, D.C.
SEPTEMBER 21, 1989

- It is a pleasure to have the opportunity to meet with so many of you today.
- You are important leaders in the Department, not only in providing executive direction in your organization, but also as role models for the other women in DOT.
- DOT has made significant progress in the employment of women:
 - If we were having this meeting in the early 1980s, the room would have been virtually empty, with only 3 women SES members here;
 - Currently, there are 43 of you, representing almost 12 percent of the SES workforce. This exceeds the Government-wide average of 9 percent female SES members;
 - Overall, 25.2 percent of the total DOT workforce is currently female, an increase of 6.2 percent since 1983. Since each percentage point represents about 600 women, this is notable progress.

- Almost 10 percent of DOT employees in GS-13 and above are women, an increase of 4.5 percent since 1983.
- Although strides have been made, we have a great responsibility to continue to make even more progress.
 - I echo Secretary Skinner's sentiment, expressed a few days ago to recent graduates of the Seminar in Career Strategies for Prospective Women Managers:

Our personal success in achieving as much as we have will only be complete if we each support other women coming along behind us.
 - As women, we traditionally develop interpersonal skills that are only now being recognized as critical to the leadership process. Please use these to their best advantage to improve not only the programs of the Department, but its culture as well.
 - I share the Secretary's high interest in intermodal cooperation, and I believe the women executives of the Department can be strong contributors to this process.
 - Know and support each other.

- Cultivate cooperation and communication in those you lead.

Please join me in some refreshments now, and get to know each other better.

1-12

J. Neal

NATIONAL TRANSPORTATION POLICY:
MEETING AMERICA'S TRANSPORTATION NEEDS IN THE 21ST CENTURY
BY DEPUTY SECRETARY OF TRANSPORTATION ELAINE L. CHAO
PREPARED FOR PUBLICATION IN THE *ANNUAL MEETING GUIDE*
THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE
SEPTEMBER 26, 1989

Maintaining America's economic position in the world is one of the greatest challenges facing this country as it moves into the 1990s. We must improve our competitiveness and our ability to deliver products to foreign markets. Consequently, Secretary Skinner has initiated a strategic planning process to develop a national transportation policy to address the challenges America faces over the next decade and into the 21st century.

To achieve these goals, transportation policy must be integrated at the top. The national transportation policy is a framework through which decisions on our transportation infrastructure, services, and related needs can be systematically assessed and implemented. The policy effort will address growing public concerns in such vital areas as environmental quality, energy, special needs of disabled persons, national security, and transportation's role in economic growth.

Six cluster groups were formed focusing on different transport markets. These groups met with representatives from consumer organizations, industry, labor, academia, government at all levels, and other constituents of the transportation community. Throughout the summer, the outreach team held nearly 100 sessions with the public and interested groups to solicit their recommendations and generate new ideas. The American people -- the most mobile population on earth -- are genuine transportation experts and we have learned from them.

The policy team, which I am proud to co-chair, will outline the major components of the policy development process entitled *Moving America: New Directions, New Opportunities*. The initial report, *A Context for Transportation Policy*, presents an overview of the current situation -- a snapshot of the transportation "landscape." It is designed to place the transportation system in context, identify problems, and stimulate public interest and participation in the development of a national transportation policy.

This is not an easy task. America's transportation network is its economic lifeblood, comprised of a complex network of private industries, public services, and individual resources that provide Americans with unparalleled mobility and a variety of ways to move products to market. This network is something that most Americans take for granted, as if its excellence and efficiency -- indeed, as if its very existence -- were somehow a given in American society. But the smooth flow of goods, services, and people is vulnerable to an almost infinite number of impediments. Any significant system disruption is obviously serious, for transportation affects the quality of life of every person in this country.

Sustaining an acceptable level of transportation system performance depends greatly upon the condition of the system's infrastructure. Unfortunately, American roads, highways, bridges, and airports are wearing out. At the same time, the demand for transportation services is expected to grow significantly.

The strain is showing in terms of efficiency, convenience, and cost. Some experts estimate that infrastructure deterioration is a root cause of the decline in American international competitiveness. Other recent studies demonstrate a close correlation between investment in transportation facilities and increase in national productivity. It is becoming clear that our transportation system can be ignored only at the risk of future competitiveness and prosperity. At the Department of Transportation, we are determined to restore the competitiveness of the transportation system -- because the transportation system may determine the competitiveness of America.

People around the globe have, for generations, looked to this country for excellence and innovation in transportation. This has been true since the opening of the American West by wagon train and rail; since plying our great rivers with steamboats and barges; since the beginning of mankind's conquest of the air by the Wright brothers at Kitty Hawk. It has continued to be the case since the opening of space, when Americans were the first to walk on the moon. We continue to set the pace in technological progress for most of the world, but there have been many recent international developments in aviation, high-speed rail, aerospace markets, and technology that require our immediate attention.

Today, on the threshold of a new century, these circumstances challenge our historic leadership position in transportation. The economic record of America in the 20th century demonstrates the power and promise of affordable, accessible, and safe transportation. Our country's unrivaled standard of living is in large part a reflection of how efficient, market-driven transportation industries and services can create jobs, stimulate growth, and strengthen the national economy.

The Department of Transportation, entrusted to protect the public safety and interest in transportation, has an important leadership role to play. But the federal government cannot singlehandedly meet all our needs in transportation growth and development. A coordinated public-private sector effort is both essential and desirable.

Rapid progress on the national transportation policy is important because American transportation is about to enter a new era. To ensure our global competitiveness, successfully provide for domestic demand, and maintain military defense readiness capability, it is time to make the decisions and direct the resources to build the transportation system America needs to be competitive, mobile, and safe.