

REMARKS PREPARED FOR DELIVERY  
SECRETARY OF TRANSPORTATION RODNEY E. SLATER  
FY 1999 BUDGET PRESENTATION  
WASHINGTON, D.C.  
FEBRUARY 2, 1998

*Opening*

Good afternoon. Today, President Clinton announced his historic budget for 1999 -- the first balanced budget in 30 years.

His plan ends the deficit -- at least three years ahead of schedule -- and continues to invest in America to prepare us for the 21st century.

This commitment is vital because, as the President said in his State of the Union Address last week, "this is not a time to rest. It is a time to build." And that means building the transportation system we need to meet the challenges of the new century -- the century now barely 700 days away.

The President understands this. He recognizes how vital transportation is to our strong economy and our quality of life, and how transportation can create opportunities for people to lead better, more fulfilling lives.

And so over the past five years the President has worked with Congress to significantly increase transportation investment even as the deficit has been decreased.

This year, we go a step farther. The record \$43.3 billion that the President proposes for transportation in fiscal year 1999 continues his commitment to building a transportation system for an America on the move.

### *Strategic goals*

Helping us to carry out this commitment is our comprehensive, top-rated strategic plan, with goals to meet America's transportation needs: enhancing safety -- improving mobility -- promoting economic growth and trade -- protecting our environment -- and supporting national security.

The strategic plan builds on Vice President Gore's initiatives to make government work better and cost less. It gives us the framework to make the right investment decisions, and our budget reflects that.

Before I turn to the specifics of our proposal, let me highlight a few records we are going to break in 1999.

First, the budget includes almost \$30 billion for infrastructure investment.

This amount, 42 percent above the previous Administration's average, continues to make good on the President's pledge to rebuild America.

Second, the budget provides \$3.1 billion to help make travel even safer.

Third, the budget includes almost \$1.9 billion for programs to protect public health and the environment.

All of these amounts are records, and they underscore our commitment to achieving DOT's strategic goals.

Now, let me tell you about this budget's details.

### *Safety*

Our top transportation priority continues to be protecting public health and safety. That is why we propose raising safety spending by 11 percent in 1999, to a record \$3.1 billion.

A major focus will be preventing highway crashes, and so we need measures such as increased education and law enforcement.

We propose a 22 percent increase in NHTSA's safety spending to support proven strategies: tougher laws against drunk driving and programs -- such as North Carolina's "Click it or Ticket" -- that expand the proper use of seat belts and child safety seats.

We also are increasing aviation safety funding by 18 percent, to nearly a billion dollars, enabling the FAA to hire additional safety inspectors and to develop ways to enhance flight safety.

Together with the modernization of our air traffic control system, this will let us safely manage growing air travel.

We also have increased funding to enhance the safety of the nation's pipelines and railroads.

This budget continues the large increases in safety funding we have seen under President Clinton's leadership because the most important thing we do is to save lives and prevent injuries.

### *Mobility*

Mobility means helping Americans get to where they need to go. Doing that demands a transportation system that is safe, flexible, accessible, integrated, and efficient: this budget provides that.

This budget enables states and communities to offer alternatives to gridlock, increasing transit capital funding to \$4.6 billion, its highest level ever.

As part of our commitment to the Washington capital region, we also are providing the final installment of federal funding for construction of the 103-mile Metro Rail system.

The budget ensures that we have a balanced intercity passenger transportation system by raising Amtrak investment to *its* highest level ever.

\$621 million in this year's budget will supplement the \$2.2 billion made available over the next two years by the Amtrak reform legislation that the President signed in December.

This will purchase new rolling stock, complete high-speed rail improvements on the Northeast Corridor, and cover many maintenance expenses.

Together with our support of Amtrak's initiatives to become more business-like, this is a key part of our commitment to Amtrak's plan for achieving operating self-sufficiency.

Our budget also offers new answers to old mobility problems. For instance, our Access to Jobs proposal supports the kind of programs which enabled Elaine Kinslow, whom President Clinton introduced during his State of the Union Address, to make the transition from welfare to work.

Our initiative dedicates \$100 million for flexible alternatives to get people to where the jobs are; helping those moving from welfare rolls to payrolls.

*Supporting economic growth*

That these jobs are available is an indication that America's economy is in the best shape in a generation, with steady growth, unemployment below 5 percent, and inflation below 2 percent.

The President has worked to maintain the competitive edge that has produced this success by closing the infrastructure deficit while ending the budget deficit.

These increases in investment have produced real results, the kind of results the President wants to build on in 1999 by investing nearly \$30 billion in infrastructure -- even more than in this year's record total.

This includes over \$23 billion to maintain our existing highways and to build new roads and bridges.

Since federal funding alone cannot meet all of our needs, we are expanding our innovative finance efforts, which already have generated more than \$5 billion to supplement federal funding.

For 1999, we have proposed \$250 million in seed money to leverage state and private funding to build new highways and intermodal projects.

That means projects such as Ohio's Butler County Regional Highway, which is moving ahead a year early because of a federally-assisted loan.



In addition to infrastructure investment, we also are looking to new technologies to help keep America competitive. We have budgeted more than a 10 percent increase -- to \$1.1 billion -- for research and development.

This includes \$250 million for intelligent transportation systems, which can cut by a third the cost of the new highway capacity we need.

The 1999 budget also provides the funds to help our aviation system handle the growing number of cargo and passenger flights. It maintains the Airport Improvement Program at its current \$1.7 billion, a quarter-billion dollars above the level of just a couple of years ago.

And it advances the FAA's Flight 2000 program, an innovative program to implement "free flight," which will cut travel times and fuel costs while maintaining today's high levels of safety.

### *Environment*

The 1999 budget includes a record total of almost \$1.9 billion for initiatives to ensure that our programs protect and enhance our communities and the environment.

To help communities clean their air and meet tough new air quality standards, we have budgeted more than \$1.2 billion for CMAQ -- the successful Congestion Mitigation and Air Quality Improvement program.

We also are continuing to fund other major environmental initiatives -- a record \$309 million for the Coast Guard's programs to safeguard our waterways, and programs for airports to reduce noise

pollution.

### *National security*

You know that we live in a world with risk. So, our national security programs are intended to protect Americans from deliberate harm -- whether by criminals, or terrorists, or foreign powers.

So, the Coast Guard's drug interdiction effort is one of the best values in our budget. We want to increase this program's future effectiveness, raising its budget by nearly 9 percent -- to \$437 million in 1999.

\$284 million -- double this year's amount -- is budgeted for civil aviation security. That includes \$100 million to provide airports with machines for detecting explosives and airlines with hardened cargo containers for their jets.

As the President says, the Maritime Security Program "sets the course for America's merchant marine into the 21st century." The \$98 million in this year's budget keeps 47 ships available to provide the sealift capacity we need for emergencies such as the Persian Gulf War.

### *ISTEA reauthorization*

Let me turn to the issue of ISTEA reauthorization. Much of what I have described today depends on federal programs which expired last year and which were temporarily reauthorized by Congress. That temporary reauthorization expires in but 87 days.

There may be differences in Congress over issues such as funding

formulas and amounts, but it is essential that America's states and cities have a stable and reliable source of funding for their vital transportation programs.

10 months ago, the President set forth his principles in NEXTEA -- among them, enhancing safety, investing in America, protecting the environment, and helping those making the transition from welfare to work.

As Congress takes up the 1999 budget, I also hope it will make ISTEA reauthorization a high priority. America deserves no less.

### *Closing*

Let me close by saying, as I have often said, that transportation is about more than concrete, asphalt, and steel: it's about people, and about creating opportunities for them to lead better lives.

A safer, smarter, stronger, and more unified transportation system will serve as the foundation for those opportunities.

That's what this is about: generating cutting-edge jobs, and securing the infrastructure and technologies we need to prepare for them.

It's about supporting trade, and how transportation can promote the growth of American exports.

And it's about enhancing the communities we share and the steps we have to take to make them both safer and cleaner for ourselves and for our children.

The initiatives I have described today give us these things, and



they give them to us within a responsible, balanced budget.

They will ensure that -- more than ever -- transportation is the tie that binds.

The President and I will work with Congress to pass a transportation budget that gives us the tools to -- as the President said last week -- "strengthen our nation for the 21st century." Thank you.

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### *Modal specifics*

I've talked about our budget's major themes, so let me turn now to the details of our plans for the individual operating administrations.

Let me start with the FAA. We've budgeted \$5.6 billion for FAA operations, a 5.5 percent increase over this year, to fund 185 additional air traffic controllers -- 150 more maintenance technicians -- and 45 new safety inspectors.

We've also asked for \$2.13 billion for FAA facilities and equipment -- 14 percent more than this year -- to fund needed systems modernization.

As I mentioned earlier, we are requesting \$1.7 billion for airport grants. We've also included \$290 million for FAA research, 45 percent above this year's level, to fund Flight 2000.

We're requesting a \$57 million increase for Coast Guard operations, to \$2.77 billion.

We're also helping the Coast Guard to replace outdated equipment through a \$443 million capital budget, 11 percent above this year's amount. To offset the cost of this, we're proposing navigation user fees to recover a portion of the Coast's Guard costs for its navigational programs.

Funding for Coast Guard research, environmental compliance, and reserve training all would be at about this year's level. Through the Highway Trust Fund, we plan to alter highway and railroad bridges that could obstruct shipping.

I've talked generally about our highway infrastructure investments.

The investment specifics include a proposed \$21.5 billion obligation limitation, \$150 million for State Infrastructure Banks, and \$100 million for a new Transportation Infrastructure Credit program.

We also are proposing to raise the obligation limit for motor carrier safety grants by 18 percent, to a total of \$100 million.

This includes \$83 million for strategic safety investments and \$17 million to identify unsafe carriers and target resources at making them safe.

I've also already mentioned several highlights of our transit budget, such as our overall transit capital support of \$4.6 billion, the highest level ever.

This includes \$3.7 billion for formula grants, encompassing funding previously included under the Bus and Bus-Related and Fixed Guideway Modernization programs.

We're recommending \$876 million for our new starts program, close to 10 percent above this year. This will enable us to fund new rail systems and other major capital investments and meet virtually all of our Full Funding Grant Agreement commitments.

Our commitment to Metro, Washington's transit system, is shown by the \$8 billion we've contributed to it over the past three decades. This year's \$50 million marks the final installment of construction funding for the planned Metro Rail network.

We also have allocated \$92 million for transit planning and research programs -- \$48 million for state and local planning grants, and \$44 million for research.

I've discussed our proposals for higher Amtrak and rail safety funding, but they're only part of the FRA's budget. We're also ensuring that rail plays a role in the transportation system of the future by continuing technology and high-speed rail research and development.

And we're proposing \$8.5 million -- \$3 million from the FRA budget and the remainder from the FHWA -- for the Nationwide Differential Global Positioning System.

This system will greatly improve rail safety, and this year's funding will go toward the installation of NDGPS transmitters throughout the United States.

In addition to funding the Maritime Security Program, we've raised MARAD operations and training funding to \$71 million. We also are providing \$20 million the Title XI loan guarantee program to leverage \$500 million to modernize shipyards and purchase American-built ships.

Funding for the Research and Special Programs Administration totals \$79 million, including \$35 million to improve pipeline safety and \$14 million -- double this year's level -- for emergency preparedness grants.

We've budgeted \$12.6 million as the mandatory payment from the Harbor Maintenance Trust Fund to the Saint Lawrence Seaway Development Corporation. We also hope to see Congress act on Secretary Slater's proposal that the Corporation be restructured as a performance-based organization.

Under our budget the Surface Transportation Board, which acts to protect the public interest, would be funded completely through user fees instead of by taxpayers.

We're proposing \$31 million -- all of it from the Highway Trust Fund -- for the Bureau of Transportation Statistics. This will help to support BTS's work on a national travel survey that can guide transportation decision-making in the 21st century.

Finally, overall funding for the Office of the Secretary has increased by \$3 million -- about half of it to cover inflation and the other half to fully fund the activities of our Office of Civil Rights.



## ***PRESIDENT CLINTON'S TRANSPORTATION FUND FOR AMERICA***

### *Building a 21st-century transportation system for America*

"Now we have a chance, in a period of peace and prosperity with renewed confidence, to build for the future. That's what this balanced budget does."

President Bill Clinton

Submission of FY 1999 Budget, February 2, 1998

- \* President Clinton has proposed a Transportation Fund for America to ensure that America's highways, airways, and transit systems will be safe, integrated, and efficient to meet the nation's growing commerce and mobility demands in the 21st century.
- \* The Fund would carry forward the progress made under President Clinton's leadership: federal investment in transportation infrastructure is at a record high of nearly \$30 billion annually, 42 percent above the previous Administration's average. Investment in research and technology, safety programs, and environmental initiatives is also at record levels.
- \* The Fund would ensure that resources can be made available for continued investment in these vital programs. Budget law currently imposes a government-wide cap on discretionary spending, including most transportation spending. Increased spending in one program requires offsetting reductions in another, even if new revenues become available.
- \* The Transportation Fund for America would permit the enactment of new revenues to offset increased investment in highway, highway safety, transit, and aviation programs. This would allow increases in transportation investment without reducing other discretionary programs. That would enable us to make needed investments while maintaining the budgetary discipline which has produced the first balanced budget in 30 years.
- \* The President will work with Congress to determine the best approach to ensuring that vital transportation programs have the resources they need while maintaining a balanced budget.

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February 4, 1998

**TALKING POINTS FOR *ENGINEERING NEWS-RECORD* INTERVIEW  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
WASHINGTON, D.C.  
FEBRUARY 10, 1998**

Main Points:

1. Federal transportation construction spending reached its peak, as a share of GDP, during the 1950s-'70s when we were building the basic Interstate Highway system. Transportation construction spending has been relatively constant as a percentage of GDP since the late 1970s.
2. The basic post-war infrastructure construction effort symbolized by the Interstates is substantially complete, although new roads, airports, and transit systems will continue to be built and existing ones need to be maintained.
3. That is why President Clinton has taken advantage of ISTEA to increase federal infrastructure investment to nearly \$30 billion annually, a record in absolute dollars and a 42 percent increase over the previous administration's average. His 1999 budget and NEXTEA proposal continue this investment trend.
4. However, much of the emphasis today is on system preservation, on concerns such as the environment, and on increasing system efficiency -- especially through technology and other investments not reflected in construction spending amounts. This will increase over time, as ITS, GPS, and other new technologies help to give us the capacity we need.
5. State and local investment also have increased in recent years, and our innovative finance initiatives are attracting private funds (\$5 billion to date) to complement federal investment.

Points on Methodology:

The massive federal transportation construction investment of the 1950s-'70s directly stimulated GDP growth, so construction naturally would decline as a share of rapidly-growing GDP.

The federal historical budget tables that Tom Ichniowski indicated he used (9.2, 9.4, 9.5) focus on direct construction investment and not on grant outlays (table 9.6), which break out transportation and which more accurately reflect the federal role. (All tables are attached.)



U.S. Department of  
Transportation

# News:

Office of the Assistant Secretary for Public Affairs  
Washington, D.C. 20590  
<http://www.dot.gov/briefing.htm>

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**DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
REMARKS AT AFRICAN AMERICAN HISTORY MONTH OBSERVANCE  
WASHINGTON, D.C.  
FEBRUARY 11, 1998**

Good morning. We're always happy to have the Cardozo Senior High School Choir in our building, with the joy they bring.

This is a good opportunity for us to come together to remember, and to honor, the history of African Americans and those who have helped to make that history.

As someone who has spent all his career in transportation, I can't help but see this history as a journey: a journey from slavery to freedom, a voyage to equality that continues to this day. So much of this history has literally been characterized by movement. From the ships of the Middle Passage which carried slaves to America...

...to the paths of the Underground Railroad which delivered so many to freedom...

...to the generations of Jim Crow symbolized by segregated buses and trains...

...to Rosa Park's historic refusal to submit to such treatment in Montgomery, Alabama...

...to the Freedom Riders braving danger to stand with a people insisting on equality...

...to Martin Luther King marching courageously to the Edmund Pettus Bridge, African Americans have been a people traveling to their destiny.

The very words of the African American National Anthem -- "let us march on 'til victory is won" -- capture this sense of motion, this idea of an historic journey. And African Americans have traveled *far*, on a journey made possible by personal talent and ability and by a national commitment to providing equal opportunity.

There is no better example of this progress through American history than the man sitting behind me, a man whose transportation experiences linked to rides in the back of segregated buses, but who, forty years later, leads the U.S. Department of Transportation and provides the vision for the nation's transportation system, a system that will be inclusive in its service, as it moves into a new century.

I ask you to join me in welcoming our Secretary of Transportation, Rodney Slater...

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U.S. Department of  
Transportation

# News:

Office of the Assistant Secretary for Public Affairs  
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<http://www.dot.gov/briefing.htm>

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**REMARKS AS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
G-8 ENVIRONMENT AND TRANSPORT FUTURES FORUM  
CHATHAM HOUSE, LONDON, UNITED KINGDOM  
FEBRUARY 17, 1998**

On behalf of the U.S. delegation, I'd like to bring you greetings from President Clinton, Vice President Gore, Environmental Protection Agency Administrator Browner, and Transportation Secretary Slater.

Let me also express my appreciation to Minister Strang and Minister Meacher for their contributions in hosting this forum, and thank the people of the United Kingdom for their generosity and hospitality.

The nations represented here are diverse, but we're united by a shared commitment to the world we've inherited, a commitment seen in the progress we're making in preserving our natural heritage. Our air is cleaner, our water purer. Forests are being spared, and endangered species protected. Critical resources are being conserved, and scenic vistas preserved.

Much has been achieved, and yet much more needs to be done. To date, the environmental ruin we fear has only been delayed. As President Clinton has said, permanently averting it demands that we commit ourselves to sustainable ways of life.

This won't be easy. Ensuring prosperity that can co-exist with a healthy environment is harder now than it was a generation ago: for most of us, the easy steps have been taken. This is especially true for the oil-dependent transportation system America has built and which other nations are moving towards. Consequently, the interaction of transportation and the environment is an issue which will continue to influence debate in all of our nations.

And there is no denying that transportation, like all human activity, can't help but affect the environment. We recognize this, and we recognize our responsibility to mitigate transportation's costs even as we rely on it and accept its benefits.

Those benefits are legion: efficient mobility can enhance both societal prosperity and personal quality of life. But today, mobility, not only in America but, increasingly, around the world, largely means two things: automobiles and airplanes. The more sustainable modes, walking, bicycling, buses, and trains, are losing market share. Measured by passenger miles, more than 83 percent of travel within the U.S. is by cars and light trucks, and most passenger travel more than a thousand miles is by plane.



That's partly because of people's choices: the flexibility and convenience these modes offer are hard to match, and people can have them at little cost, only pennies per mile.

The use of cars has also grown because of changing demographics and lifestyles: low-density suburbs aren't easily connected by conventional transit. More women are in the global workforce, and they often depend on cars not just to commute to jobs but to perform household chores, often in what we call "chained" trips. And auto use has grown because of government policies such as extensive road building. In the U.S., this also means tax benefits for single-family houses and relatively low fuel taxes. These policies have fostered travel and land use patterns which are most easily served by the automobile, and which aren't easily modified.

Air travel has grown rapidly, promoted by open skies initiatives, deregulation, low fuel costs, and continuing government commitments to building and operating aviation systems. As with cars, this has meant faster, more affordable travel for millions, but at a price.

Are other nations destined to follow the same path? Not necessarily: factors such as geography, higher fuel prices, and different government transportation policies all could ensure that per-capita auto and aviation use will remain lower elsewhere.

However, there is reason for concern. Rates of passenger car use in Japan and Europe are growing significantly faster than in the U.S. And today's traffic jams in developing cities are only a precursor of what we can expect as their economic growth continues.

Now, I'd hesitate to say that we've made a Faustian bargain, because I consider neither the automobile nor the airplane to be the devil. But our growing use of, and dependence on, them has resulted in undeniable environmental costs.

Cleaner gasoline and catalytic converters make today's cars 90 percent cleaner than those of a generation ago, one of the great technology success stories. The results are seen in less pollution. In the U.S., even in spite of growing travel, airborne concentrations of carbon monoxide and volatile organic compounds are more than 30 percent below the levels of the 1970s, and lead has been effectively eliminated as a pollutant.

However, this improved air quality has come at significantly increased vehicle and fuel costs, and it's threatened by future travel increases.

There are other concerns. Although other sectors have moved away from oil use over the past two decades, transportation remains almost entirely dependent on petroleum. In the U.S., transportation's use of oil is more than 40 percent higher than in 1970, the only sector in which this is true. In fact, the dramatic increases in energy efficiency achieved beginning in the 1970s have leveled off. The U.S. vehicle fleet's fuel economy has stagnated in this decade, a direct result of new car fuel economy not having increased significantly in 15 years.



Moreover, falling energy prices since 1986 have inspired people to buy larger cars and vehicles classified as light trucks, a type which is approaching a majority of vehicle sales.

In addition, we've seen rapid rises in aviation fuel consumption as air travel becomes more affordable, and that could increase flight emissions.

Transportation energy use, driven by travel increases, is also growing in other developed nations, usually at rates faster than in the U.S. This is in spite of fuel costs which, with higher taxes, are double or triple those in the U.S. These travel increases are worrisome because many of the identified causes of global climate change are not controlled by the technologies which have helped to reduce urban air pollutants.

Our environmental problems are not limited to pollution. The easy access to cities made possible by high-capacity highways encourages sprawl as first people and then businesses take advantage of cheaper land. That results in significant losses of open space and farmland.

This sprawl also has worsened traffic congestion in the U.S., which has grown as passenger travel nearly doubled over the past 25 years and freight activity, measured by domestic ton-miles, increased by 65 percent. This congestion now wastes \$50 billion annually in just the nation's 50 largest cities.

Although historical patterns have given Europe and Japan more compact land-use patterns, travel demand is increasing here, too, as standards of living rise, with consequent pressure on exurban lands.

Unchecked, these trends will harm not only our quality of life but also our prosperity as well. While there are strong environmental reasons for action, failure to act will produce real economic costs, from congestion, from pollution-worsened illnesses. I say this because we must avoid false choices between a sound environment and a healthy economy.

There *will* be conflicts, and choices *will* have to be made. But, on a larger scale, we need not choose between prosperity and environmental protection. Environmental problems come not from growth, but from *thoughtless* growth.

Sensible growth need not have adverse impacts, but will be sustainable. Indeed, growth is necessary, because prosperous nations can better make the investments to protect their environments.

So how can we reconcile the need for growth and for environmental improvements? The answer is: through sustainable development, taking advantage of economics and technology to meet our needs in ways that are effective, yet less wasteful.

We must encourage land-use arrangements which make environmentally-benign transportation more feasible and which enhance our quality of life. These initiatives include the U.S. Livable Communities program, which promotes housing and business development near transit stations. And they include the program of pedestrianisation and expanded transit being debated in Britain.

They also include initiatives such as Portland, Oregon, which is creating a more pleasant and environmentally-friendly community. Other cities, such as Stockholm and Vienna, have used similar approaches, and Britain's green belts have proven successful.

One key point we must remember is that transportation is only a means to an end: getting people, products, and information where they need to go. We need to encourage forms of transportation that fulfill this mission without harming the environment, including public transit, carpooling, bicycles, walking, and telecommuting.

We see as our model the balanced transportation network which the U.S. had until a few decades ago, and which other nations, and some U.S. cities, still have.

We need to measure the performance of this system in new ways, in terms of effectiveness in serving needs, not just in terms of volumes of traffic handled. If we can improve system efficiency, there will, by definition, be less environmental impact. Balanced systems, combining highways and airways with effective mass transit and intercity bus and rail systems, can reduce emissions and fuel consumption without impairing mobility.

Recently, we've made record investments to encourage such alternatives in the U.S. We're also looking to implement complementary strategies, such as expanded tax benefits for those who ride transit or vanpools.

We also need to consider both the effectiveness and the public acceptability of economic strategies to reduce vehicle miles traveled and emissions, including forms of road pricing and emissions trading. This also includes ways to directly promote sustainable development, such as mixed-use zoning, tax incentives, and location-efficient home mortgages.

And we want to carefully watch the success of efforts to support environmentally-friendly transportation, such as those to make rail more competitive in Britain and Germany through privatization.

Finally, we do need to continue our development and deployment of new technologies, which have produced so much of our success to date. In the U.S., our Partnership for a New Generation of Vehicles and our Advanced Vehicle Program will develop cars and trucks with the same safety and performance as today's, but with far better fuel economy and fewer pollutants.

Intelligent Transportation Systems, the technologies elsewhere called telematics, can reduce congestion by improving the efficiency of existing roads and transit lines. This efficiency also can help to cut by more than a third the cost of providing the new travel capacity we need.

Revised international standards for aviation emissions, both those associated with urban air pollution and those implicated in climate change, can help to cut pollution from jets.

And the program to implement "free flight" will permit more direct aviation travel. Many aircraft miles are now spent in moving from point to point to point along today's navigation systems, rather than simply moving directly from the flight's origin to its destination. All of these extra miles mean extra fuel consumption and extra carbon dioxide emissions, but we estimate that 10 to 15 percent can be saved by new navigational technologies.

Let me close by saying that there is no silver bullet for our environmental problems, but there *is* "silver buckshot", many smaller strategies which, taken together, and mixed appropriately to local conditions, can produce real progress. That's the approach we need to take, one which we hope will produce the healthier environment we seek without compromising prosperity or quality of life.

I look forward to hearing about your experiences and your plans, and about ways we can cooperate to adopt development strategies which honor our need to balance vital priorities.

It's our responsibility, as the English poet Wordsworth wrote, "to live, and act, and serve the future hour." I'm confident that, working together, we will meet our responsibilities to serve the future. Thank you.

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*Aviation Agreements Under President Clinton*

<i>No.</i>	<i>Date</i>	<i>Entity</i>	<i>Remarks</i>	<i>Open Skies No.</i>
61	2/98	Uzbekistan	Open Skies	28
60	1/98	Japan		
59	12/97	Netherlands Antilles	Open Skies	27
58	12/97	Romania	Open Skies	26
57	10/97	Chile	Open Skies	25
56	10/97	Brazil	Scheduled capacity, charters	
55	7/97	Aruba	Open Skies	24
54	6/9	Egypt	Codesharing, 5th Fr. impvts.	
53	6/97	Malaysia	Open Skies	23
52	5/97	New Zealand	Open Skies	22
51	5/97	Ukraine	New Agreement	
50	5/97	Nicaragua	Open Skies	21
49	4/97	Costa Rica	Open Skies	20
48	4/97	Honduras	Open Skies	19
47	4/97	El Salvador	Open Skies	18
46	4/97	Guatemala	Open Skies	17
45	3/97	Panama	Open Skies	16
44	3/97	Taiwan	Open Skies	15
43	2/97	Brunei	Open Skies	14
42	1/97	Singapore	Open Skies	13
41	11/96	Jordan	Open Skies	12
40	10/96	Brazil	Add'l. carrier/freqs./charters	
39	8/96	Pakistan	New Agreement	
38	3/96	South Africa	New Agreement	
37	3/96	Japan	All-Cargo Liberalization	
36	3/96	France	Boston-Paris route; future talks	
35	3/96	Poland	Expanded routes, code sharing	
34	2/96	Germany	Open Skies	11
33	1/96	Thailand	New agreement	
32	1/96	Fiji	Routes/flexibility/codeshare/charters/pricing	
31	12/95	China	Detroit/codesharing/etc.	
30	12/95	Czech Republic	Open Skies	10
29	12/95	India		
28	10/95	Macau	New agreement	
27	10/95	Philippines		
26	9/95	Hong Kong	New agreement	
25	6/95	Brazil		
24	6/95	United Kingdom		
23	5/95	Austria	Open Skies	9

<i>No.</i>	<i>Date</i>	<i>Entity</i>	<i>Remarks</i>	<i>Open Skies No.</i>
22	5/95	Belgium	Open Skies	8
21	5/95	Denmark	Open Skies	7
20	5/95	Finland	Open Skies	6
19	5/95	Iceland	Open Skies	5
18	5/95	Luxembourg	Open Skies	4
17	5/95	Norway	Open Skies	3
16	5/95	Peru		
15	5/95	Sweden	Open Skies	2
14	5/95	Switzerland	Open Skies	1
13	4/95	Ukraine	New agreement	
12	2/95	Canada	New agreement	
11	10/94	Germany	Amendment	
10	7/94	Argentina	Capacity increase	
9	7/94	Austria	Routes, desigs.	
8	2/94	United Kingdom	BAA Arbitration	
7	1/94	Jamaica	Codesharing agreed	
6	12/93	Australia		
5	11/93	Finland	Routes	
4	10/93	Ireland		
3	9/93	Germany	Capacity Agreement	
2	5/93	Italy	Mini-deal DL/UA behind gateway	
1	5/93	Russia		



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**REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
U.S. CHAMBER OF COMMERCE ANNUAL MEETING SYMPOSIUM  
BUSINESS STRATEGIES FOR PREPARING THE 21ST CENTURY WORKFORCE  
WASHINGTON, D.C.  
FEBRUARY 23, 1998**

*(The "Overcoming Hurdles: Transportation, Child Care, & Disabilities" panel will be moderated by Tony Coehlo, Chairman of the President's Committee on Employment of People with Disabilities. The order of speakers will be you, Deputy Labor Secretary Kitty Higgins, Assistant HHS Secretary Olivia Golden, and Tim Arnoult of Nation's Bank.)*

Good afternoon. As many of you know, Secretary Slater defines our efforts to build a 21st-century transportation system along four dimensions.

The system must be international in reach to keep America's industry competitive in the global economy.

It must be intermodal in form, linking together different forms of transportation into a seamless, efficient system.

It must be intelligent in character, applying advanced technologies to make travel safer and more efficient.

And it must be inclusive in service -- it must benefit all Americans.

This last characteristic takes on added meaning when we talk about preparing our work force for the 21st century. Every day our transportation system gets more than 120 million workers where they need to go safely, efficiently, and -- for the most part -- on time.

However, it doesn't adequately serve everyone -- and especially many of those trying to make the transition from welfare to work.

One of the biggest barriers these citizens face is finding access to jobs, training, and support services such as child care.

The situation is clear from the statistics: two-thirds of new jobs are in the suburbs, but three of four welfare recipients live in rural areas or central cities. Their access to suburban jobs is limited: few welfare recipients own cars.

Unfortunately, conventional public transit generally operates either within central cities or from suburbs *into* cities. Transit doesn't always meet the needs of reverse commuters, off-hour shift workers, or those with small children requiring the stop at day care on the way to and from work.

The challenges welfare recipients face aren't hypothetical. They exist in places that we recognize as having good economies and good transit systems.

For example, job growth in Cleveland has been concentrated in the suburbs. But fewer than half of entry-level jobs are accessible through a transit ride from the central city -- even if you allow for an 80-minute trip -- leaving the other half essentially out of reach of Cleveland's welfare population.

Boston has an excellent transit system, with 99 percent of the city's welfare recipients living within a half-mile of a station. Still, it doesn't make the needed link to the available jobs: only 43 percent of employers are also within a half-mile of transit lines.

And in Atlanta, fewer than one of three entry-level jobs paying more than \$15,000 annually -- those most likely to enable welfare recipients to become self-sufficient -- are located within a quarter-mile of a transit line.

People face the same problem when they try to travel to schools or job training sites, or when they need to take their children to day care. Access is too time-consuming, too expensive, or both.

As we work to implement welfare reform, we have to come up with new solutions to this problem -- strategies that give people a realistic chance at finding and keeping jobs.

As President Clinton said, "each and every one of us has to fulfill our responsibility -- indeed, our moral obligation -- to make sure that people who now must work, *can* work."

We have several steps underway to make this possible. We've raised transit investment to record levels, to improve service where it can help.

Our Joblinks program provides transportation and training in both urban and rural areas, and our Livable Communities program integrates planning for transit with planning for locating jobs, schools, housing, and day care.

Other federal agencies have similar efforts: HUD's Bridges to Work Program connects inner-city residents with suburban employers.

And we're coordinating with Labor and Health and Human Services on using the Temporary Assistance to Needy Families program to position transportation service where they're needed to support job creation.

State and local governments also have creative initiatives underway. In Jefferson County, Arkansas, unused senior citizen service buses transport welfare recipients to jobs and training during off-hours. In Baltimore, vanpools link center city residents to employers at BWI Airport.

These successes helped to inspire President Clinton's proposed Access to Jobs program -- a six-year, \$600 million incentive grant program to provide seed money for alternative transportation services that get people to where the jobs are.

We want to build on the kinds of successes we're already seeing -- and then replicate them around the country.



States, local governments, and private, nonprofit organizations would use Access to Jobs seed money to pay for innovative transportation services to link welfare recipients with jobs.

The program would focus on several core principles: flexibility, to encourage innovation; targeting, so that funds go to areas with a demonstrated need, both in terms of the problem's severity and of the proposed strategy's likelihood of making a difference; and local commitment to comprehensive, coordinated solutions.

We're ready to back up these grants with federal technical assistance, and we'd help grant recipients evaluate their programs to establish benchmarks for best practices.

The first installment of \$100 million in Access to Jobs funding is included in the President's 1999 budget, and we see it directly leveraging at least another \$100 million in state, local, and private funding.

The value of this program's benefits -- the budget savings produced by the thousands of welfare recipients who now would be able to work, and the economic boost provided by their employment -- would be far greater.



Access to Jobs is included in the President's NEXTEA proposal, which would reauthorize federal highway and transit programs which expired last year -- but which have been temporarily extended by Congress until this spring.

NEXTEA includes record levels of investment in infrastructure and technology, and it's going to be the subject of a great national debate this spring.

I hope that you'll make your voices heard in this debate, so that Access to Jobs and the other vital initiatives included in NEXTEA can become realities.

I also hope that -- individually, through your local chambers, and in partnership with state and local governments and non-profits -- you'll participate in welfare-to-work programs. By hiring welfare recipients you're not only helping them -- you're helping your communities as well.

Secretary Slater often says that transportation is about more than concrete, asphalt, and steel -- it's about people, and it's about creating opportunities for them to lead better lives.

Nowhere is that truer than in the effort to enable people to make the transition from welfare rolls to payrolls. It's clear that transportation is one of the keys to this -- the "to" in "welfare to work."

But to make this succeed, we need your help.

Together, we *can* make a difference.

Together, we can help hundreds of thousands of Americans help themselves.

Secretary Slater and I look forward to becoming your partners in this crucial national effort.

Thank you.

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**TALKING POINTS**  
**DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY**  
**UNITED STATES AIRPORTS FOR BETTER INTERNATIONAL AIR SERVICE**  
**CELEBRATION OF U.S.-CANADIAN OPEN TRANSBORDER AGREEMENT**  
**WASHINGTON, D.C.**  
**FEBRUARY 23, 1998**

*(You will be speaking informally, standing at your seat without a podium or a microphone.)*

- \* Thank Leo Schefer for introduction. Thank USA-BIAS for its advocacy of the U.S.-Canada accord and its continuing role in supporting President Clinton's initiatives to open up international aviation trade. Thank American and Canadian cities and airports -- instrumental in implementing U.S.-Canada accord. Look forward to continuing this partnership and to improving service between our nations and around the world.
- \* Extend greetings from Secretary Slater. Secretary Slater is continuing the leadership role played by Secretary Peña in the effort to create a global free market in air transportation -- an American goal for more than a half-century.
- \* Tomorrow marks a significant step in this effort: third anniversary of U.S.-Canada Aviation Agreement signing, bringing full implementation of open transborder services between Canada and the U.S. -- the world's largest bilateral aviation market -- and moving us closer to a worldwide free market for aviation.
- \* Benefits are clear: even with phased implementation, U.S.-Canadian passenger traffic increased 37 percent under the agreement (*versus* 4 percent increase in the preceding three years). 4.5 million-passenger increase larger than our total market with any but six countries (Canada, Japan, United Kingdom, Mexico, Germany and France). Never in aviation history has a new agreement spurred such growth, benefitting industry and consumers alike.
- \* As the study you did indicates, we may see more than \$15 billion in new economic activity and 200,000 new jobs -- in airports, airlines, aerospace manufacturers, tourism -- on both sides of our border -- at no cost to *either* government -- and *to the benefit of both*.
- \* Freeing trade in aviation can stimulate economies, create jobs, and enable people to meet the challenges of the 21st century. So, as we begin to see the fruits of this agreement with our Canadian partners, we hope that other nations will join what is fast becoming a global movement towards a free, competitive aviation world. Thank you.

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TALKING POINTS  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
AEROSPACE INDUSTRIES ASSOCIATION LUNCHEON  
SINGAPORE  
FEBRUARY 27, 1998

*(Introduction to be made by Joel Johnson, AIA Vice President for International Affairs. They have said that your remarks can be brief and informal, and that the focus can be on Q&A.)*

- \* Thank Aerospace Industries Association for hosting luncheon, and Pratt & Whitney (*sponsor*) for helping to make it possible. Pratt & Whitney supplier summer job.
- \* President and Secretary recognize how crucial aerospace is to U.S. Critical to our economy -- as major employer, as single largest export earner, and as vital link in national transportation system. Vital to national security.
- \* Worked to create a level playing field for aerospace manufacturers internationally, opening up markets. Resisted protectionism and unfair subsidies. Senior officials promoted American-built planes. Negotiated free-trade treaties.
- \* Helped revitalize U.S. airline industry, whose health is closely linked to aerospace. From 1990 to '92, airlines lost \$10 billion. In 1993, President created National Commission to Ensure a Strong and Competitive Airline Industry, and implemented its recommendations (GPS, general aviation liability reform). New International Air Policy Statement. Negotiated 61 aviation accords (Japan) -- 28 open skies. Airline industry restructured its operations, became more efficient. President's policies improved economy. Result: three straight years of airline profits, totaling \$10 billion.
- \* Will continue opening air travel markets -- hope to make progress this year with United Kingdom, China, France, Italy, the Dominican Republic, Peru, Ethiopia, Ghana, Senegal. Global open skies will pull world together the way Interstates linked U.S. More worldwide air travel is straightest flightpath to prosperity for aircraft manufacturers, suppliers, and airlines.
- \* Other issues: *Safety* -- committed to implementing Gore Commission's recommendations on security, air travel safety, system modernization. *Inclusiveness* -- exploring whether disparity in fares and service to some communities can be solved by new generation of regional jets. *Competitiveness* -- responding to industry's call for concrete guidance to define unfair methods of competition, especially at hub airports, to ensure fairness and to encourage new entrants.

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