



**U.S. Department of
Transportation**

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

Contact: Richard Mintz
Tele: 202-366-4570

**REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
INTERNATIONAL AIR TRANSPORT ASSOCIATION
DALLAS, TEXAS
NOVEMBER 1, 1993**

To paraphrase President Clinton, we are living through "galloping change" -- and tensions -- in the airline industry both within the U.S. and worldwide.

I would like to offer my observations about this challenging environment and describe our "flight plan" to guide us through it.

There are three subjects I wish to address. First, I'll begin by briefly discussing the United States' pro-competitive airline policies. Next, I will examine the trend toward globalization in this industry -- and the protectionist obstacles it faces. That leads me logically to my third topic -- how we can work together -- and grow together -- in the evolving international airline world.

Everyone here knows that the world airline industry is in mid-course of a vast, often difficult transformation -- driven both by commercial imperatives and by the spread of free-market policies. Airlines and governments throughout the world are all struggling to adjust (and, in a few cases, to resist) the movement towards privatization, competition and globalization.

We have no crystal ball to predict precisely how these trends will shape global aviation. We cannot outguess the creativity of airline leaders or forecast the exact timing of our global aviation markets' full recovery.

And we Americans are keenly aware of the stresses that competition places on carriers and governments everywhere -- because we have lived through them.

- more -

I am convinced, however, that privatization, competition and globalization are trends fueled by economic and political forces that will ultimately prevail. Governments and airlines that embrace these trends will far outpace those that don't.

[PRO-COMPETITIVE AIRLINE POLICIES]

As other nations adopt more competitive policies, it may help to share my perspective on the American experience since 1978 and to dispell some misconceptions that persist today about that experience.

A commitment to enhanced competition remains the core of our airline policy. That view, however, is not based on a blind faith in the "invisible hand" of an all-knowing market -- as some still suggest.

We must re-affirm who our constituents are: the traveling public; shippers of goods and services; the airlines and aircraft manufacturers and also those cities that desire air service to revitalize their economies.

Weighing the interests of all of these parties may be challenging. But I believe that we must try, not by using precise mathematical formulae, but by applying good judgement and fairness in advancing the national interest.

No one is more fully aware of the traumas and stresses of tough airline competition than Americans are. The traveling public, airline workers, the government and U.S. airlines themselves have all felt them.

It is no surprise that other nations often ask why we pursue these pro-competition policies -- expecially in the face of the daunting financial pressures that U.S. airlines have experienced in the past three years.

In fact, we ourselves were so troubled by this tumult that I strongly supported the creation of the 15-member National Commission to Ensure a Strong, Competitive Airline Industry.

After all of the analysis, testimony and debate, the Airline Commission re-affirmed a fundamental tenet, namely that we believe that competition among domestic airlines provides enormous benefits to the American economy as a whole.

Those benefits are clearly evident -- in the form of vastly increased air travel, lower prices, more airline jobs and a powerful stimulus to American cities and our national economy. Airline competition, in short, has been good for the consumers of airline services.

Millions of American tourists, business people and shippers who were effectively priced out of the aviation market before deregulation now routinely access affordable and competitive airline services.

We are proud of our airline companies and want them to be profitable. We also believe that our airlines are one of the most strategic, indispensable and valuable players among our service industries and not just symbols of national prestige.

Frankly, we believe that it is in the best interests of travelers and businesses all over the world -- not only Americans -- that all airlines be allowed to compete -- on price as well as service -- for passengers and cargo.

Millions of travelers and businesses now priced out of the aviation market could take wing -- re-invigorate hemispheric economies and create more jobs -- not cost them -- in airline industries everywhere.

That's certainly been our experience in the United States. Since 1978, overall employment in the American airline industry has grown from 314,000 people to 432,000 people -- despite the well-known troubles that some U.S. carriers have suffered. Moreover, there are new U.S. carriers seeking to enter the industry all the time.

It may shock you to say that we welcome this new competition. We even believe that it is good for our established carriers.

In fact, the key reason that U.S. airlines enjoy such a large share in the international marketplace today is that they have become so efficient through competition at home.

We know that some governments are concerned that U.S. carriers have secured such large market shares.

But rather than seeking to restrict successful competitors, governments that wish their own carriers to succeed should urge them to "re-organize" to meet the challenge of competition on a global basis.

Airline competition also holds the best long-term promise for aircraft and jet engine manufacturers. I can conceive of nothing more in their interests than the rapid increase in the demand for air travel and freight that competition brings.

These are the market forces essential to sustain stable aircraft orders by airlines in the future. Rising air travel demand can be the engine pulling up sales of all

airframes -- providing jobs not just for workers at Boeing and McDonnell-Douglas -- but at Airbus Industrie and other airframe and jet engine makers all over the world.

What source, other than rising consumer demand, brought about by competition and lower prices, can we look to -- to ease trade tensions and increase total sales of airliners? Surely, it cannot be continued government subsidization at the expense of taxpayers around the world.

Having re-affirmed our belief in the benefits of competition, the new Secretary of Transportation will pay more careful attention to the dynamics of competition and adopt a more thoughtful approach in implementing it than our predecessors did.

Where appropriate, we are far more prepared to exercise the statutory power that our government has always retained -- even under deregulation -- to both promote and preserve competition.

Under our statutory mandate to encourage new entries to the aviation market, we will encourage new applicants and entrepreneurs to start new firms and become licensed air carriers.

This is a major part of our work, since no fewer than 24 passenger, charter and cargo jet airlines have started up in the U.S. since New Year's Day, 1992. And there are another 23 passenger jet applications now pending before the Department of Transportation.

With regard to our statutory obligation to determine that airlines remain financially fit, we will examine large transactions involving established carriers to ensure that their financial health is not undermined by ill-conceived ideas.

In our view, the failure of previous administrations to take prudent steps to maintain airline fitness by challenging overly-leveraged deals accounts for some of the current financial difficulties of the U.S. airline industry.

However, I want to emphasize we will not re-regulate the airline industry -- or intervene gratuitously. Rather, we will use the precision of a surgeon, acting only in special cases and with extreme care. We do not now seek new legislative powers. We will use those powers which existed even during the past decade -- but which were largely left unused.

In the area of anti-trust enforcement this new administration has already shown our willingness to act. The Departments of Transportation and Justice are examining airline behavior closely.

Twice in the last ten months we have publicly questioned the manner in which large carriers compete with smaller firms. And we have examined other situations privately -- pursuing voluntary compliance as our first resort.

Barriers to new entry, anti-competitive pricing and marketing and the sheer use of market power to harm competition will be reviewed so that new firms are not prevented from entering nor existing firms harmed by anti-competitive practices.

In the future, we will insist that mergers, acquisitions and sales of route authority be well-grounded, pro-competitive and financially viable. We will also carefully examine the impact of such transactions on airline workers.

The wrenching experience of airline bankruptcies, lay-offs, labor disputes and strikes are much too fresh in our minds for us to want to re-visit the financial excesses of the 1980's.

President Clinton has brought a new perspective to the economic dislocations that even the best -- and most necessary -- policies can cause.

As we build down our defense industry, as we open up our economy to trade competition through the North American Free Trade Agreement and other accords, we are also moving to assist communities and employees to adjust -- and seize new opportunities -- by providing the most extensive program of worker re-training and lifetime learning in our country's history.

We know that restoring the financial strength of some U.S. carriers will take several more years. And we are pleased to see early signs of a return to profit in our airline industry.

But the goal of ensuring the financial strength of U.S. airline companies is a complement to pro-competitive policies -- not a contradiction -- or a reason for tolerating anti-competitive practices.

In sum, while other nations may use the power of government to prevent competition, we will use the government power to protect competition.

Why? Because our own experience convinces us of these simple truths: competition leads to lower prices and more air travel; more air travel is better than less; and more air travel not only creates airline and airframe jobs -- it leads to dynamic growth in economic activity for cities, regions, nations and the whole world economy.

I say that not just as Secretary of Transportation -- but as the former mayor of the City of Denver, who fought long and hard to build the new Denver International Airport -- which will celebrate its opening this month and begin full service next March. I hope you will all be there.

I know -- first hand -- the benefits this new airport will bring to the entire Rocky Mountain economy, and the nation.

The "spin-offs" it will create go far beyond more jobs for airline personnel, tourist industry workers and others who directly service travellers and cargo. There will be new business deals made that would never have been conceived -- new trade, new economic development that would not have occurred without the increased air service that this new and efficient airport will bring.

Denver is just one example of why airline liberalization -- and more airport access -- may be the single best way to achieve the main goal that all nations are striving for today -- revitalizing their economies and creating more jobs for their citizens.

Our data shows that airports serving the 30 largest metropolitan areas in the United States generate \$250 billion in economic activity, \$80 billion in wages and four million jobs.

And what's true for Denver, or Chicago or Boston is true is also for Paris and Montreal and Osaka, too -- indeed, for cities all over this planet. That's why I receive new requests for international aviation connections from American cities almost every day.

And that may also be why I believe that the upsurge of airline protectionism occurring today is so profoundly self-destructive -- to those nations that steer that course.

Airline protectionism imposes huge costs on the travellers and businesses in the very countries that attempt it. By "protecting" inefficient carriers -- rather than prodding them to adjust -- governments harm every other sector of their own economies -- and they constrain the entire world economy.

Nations that seek to "protect" inefficient domestic carriers do so only at the cost of denying enhanced economic growth to their own people. Fearful of short-term dislocations in their airline sector -- they inflict vastly greater losses on their whole economies -- in the form of flights not taken, contacts and business deals not made, tourists who don't come to spend their money.

These foregone economic opportunities, and the jobs they could bring, may be "invisible" to some but they are very real.

By contrast, nations that adopt more competitive policies and more liberal aviation agreements deliver concrete benefits to their citizens and businesses. As a study of aviation agreements from 1975 to 1989 concludes: "Having a liberal agreement in place results in 46% more passengers traveling between the United States and a foreign country and an annual passenger growth rate of 11% higher than it would be if there had been a non-liberal agreement in place -- after controlling for other country-specific factors....."

Consider just tourism alone, which has now become a \$3.5 trillion global industry -- 6% of total world GNP -- employing 127 million workers -- one out of every fifteen jobs. Tourist industries expend \$422 billion in new capital investments every year and yield governments \$303 billion in taxes.

The largest single industry on this planet today, travel and tourism is projected to grow in coming years at a more rapid pace than the world economy as a whole. And the scale of this industry already dwarfs that of the airline industry narrowly defined.

A study by France's Ministry of Tourism, for example, found that air travel itself accounts for only 10% of the total tourism industry. Nations that protect inefficient carriers, then, inevitably damage an industry nine times larger than airlines -- and they constrain other business growth as well.

I doubt that our fine host city -- Dallas -- could have attracted so many international corporate headquarters and industries without the competitive air services it has enjoyed since the Dallas-Fort Worth Airport was built almost twenty years ago. In fact, I invite our international visitors to see the Las Colinas development and witness the benefits of increased air travel first hand.

Ironically, nations that "protect" their carriers from competition damage even their airlines. That's because those airlines that seek protection -- and are unlucky enough to get it -- will find that such short-term protection erodes their long-term ability to compete.

Naturally, the United States doesn't expect any nation to force its domestic carriers -- overnight -- into competition that might cause them to fail. But we do seek an end to subsidization, better access to airports and greater airline liberalization as rapidly as possible.

We believe that quick and significant movement in this direction will not only save taxpayers the cost of subsidies, but encourage more carriers to meet -- and master -- the challenges of a global market they cannot avoid forever.

[GLOBALIZATION vs. PROTECTIONISM]

Let me now address my second topic -- the globalization of the airline industry -- the process through which airlines are increasingly being forced out of their national frameworks and becoming far more multi-national businesses.

Today the prosperity -- even the survival -- of international airlines depends on their ability to adapt to globalization. It is a process driven by the sheer expansion of international travel and freight -- forces that governments find themselves hard pressed to repeal.

Over the decade from 1982 to 1992, international revenue passenger miles have nearly doubled -- from 500 billion to nearly one trillion. International air cargo shipments have grown even more rapidly -- from just over 20 billion to nearly 50 billion freight ton miles.

Over the same period, passenger travel between the U.S. and Europe has also nearly doubled from 15 million to over 29 million and there has been an even more impressive surge in U.S.-Far East passenger volume from just 5.4 million in 1982 to 15.4 million last year.

Future growth in international passenger and cargo traffic is expected to far outpace domestic demands -- with the fastest growth coming in East Asian and Pacific markets.

This tidal wave of demand is helping fuel globalization.

Clearly, the response of airlines and governments to these pressures varies widely -- but no one can afford to ignore them.

Globalization, of course, is not unique to airlines. It is a common theme in all those industries in which competitive success depends on building planet-wide networks.

The realms of banking, securities, communications, media and other service industries are already far along in responding to the emergence of a worldwide market. So are automakers and airframe builders who are today forming global alliances that would have been thought heretical just a few years ago.

The same dynamic is driving more airlines to expand their global services -- fueling the current wave of cross-border investments, strategic alliances and code-sharing throughout the industry today.

Clearly, the key to international airlines' futures is their ability to achieve greater efficiency, scope of service and access to markets around the world. Airlines that fail to realign their operations to meet this growing demand for global service are going to be left behind -- far behind.

This is especially true because neither individual airlines -- nor their governments - can prevent other airlines from developing their own global strategies and links.

As powerful as the globalization trend is, it is also clear that aviation lags well behind -- because airlines are subject to two major constraints that other industries have been spared.

The first constraint, which I have already touched on, is the upsurge of protectionism by some governments. The second constraint is the outworn system of bilateral aviation agreements that so often triggers protectionist episodes.

This system of negotiating air rights is so badly frayed by the pressures of a global -- not a "bilateral" economy -- that it has itself become a ripe spawning ground for disputes.

Born at the 1944 Chicago Convention, bilateralism was based on the desire of a majority of national governments to shelter their airlines from competition. It lives on as a global web of well over 1,000 country-to-country agreements that regulate -- and increasingly inhibit -- international air service.

Today, this system is the source of the most serious constraints on airline opportunity and consumer choice worldwide -- mainly because governments so often demand protection in bilaterals for their domestic carriers -- again, at the expense of their own air travelers.

In particular, we are seriously concerned about the efforts of a group of airlines in the East Asian markets to curb -- or even roll back -- the access of U.S. carriers to the world's fastest growing aviation market. We believe that this effort runs directly counter to the interests of Asian travellers and businesses who are paying staggering fares -- and whose governments are playing with fire.

The United States is weary of running chronic, multi-billion dollar trade deficits with nations whose governments lecture Americans on the need to produce more efficient, more desirable products.

Let me be very direct: U.S. air carriers are providing exactly the sort of highly efficient, competitive services that Asian consumers will buy -- if only their governments would let them.

We are, however, confident that protectionist incidents will decline over time. First, because airlines worldwide all need to grow and globalize. Secondly, because airline consumers, businesses and tourist officials worldwide are realizing that they are not being "protected" -- but are instead badly hurt -- by the restrictive practices of their own governments.

Meanwhile, though, by focussing national policies on parochial, case-by-case negotiations -- the current bilateral negotiating system is prone to cause, not prevent, such counter-productive episodes. As the recent U.S. Airline Commission report concluded, bilateralism is: "anachronistic...little more than an exercise in zero-sum economics. It is too rigid, too time consuming and too limiting Simply put, the bilateral system stymies growth in the global marketplace; it does not encourage it."

[TOWARDS A NEW AIRLINE WORLD]

The United States believes that if we are to construct a better world airline system for this decade and the next century we must begin by moving decisively beyond bilateralism to multi-lateral and regional accords.

Many nations are moving in that direction now -- Australia and New Zealand in the Pacific; the Andean Pact and the Southern Cone states in Latin America.

We applaud the progress of the European community in tearing down the barriers to competition that have long stalled airline services in Europe. We trust the EC will resist any counter-vailing pressures and carry on -- and we look forward to negotiating a multilateral accord with the European Community as soon as possible.

The United States' vision is of a truly open airline world.

One in which nations measure the success of their aviation policies by the stimulus that competitive aviation services provide to all of their citizens and economies -- not only by the prestige of their national "flag carriers."

A world in which governments match the rhetoric of liberal aviation policies with concrete action to expand access to key airports -- as the United States has done in the past.

The United States looks forward to helping this new aviation world grow by cooperating with all governments on other areas, such as the harmonization of standards and on rigorous measures to ensure airline security.

We are especially pleased to help all nations realize the vast gains in navigation, safety and system-wide efficiency that will come from full implementation of the Global Positioning System.

We are, even now, examining the re-structuring of our own national air traffic control system -- as proposed by the National Airline Commission. We are exploring ways to create a more efficient system -- free to pursue rapid technological advances without dependence on annual government budgets or bureaucratic constraints.

This, we believe, will produce continuous improvements in what is already the finest -- and safest -- air traffic control system in the world.

[FROM HERE TO THERE]

We believe that a powerful tail wind of economic logic is carrying us all -- whether we like it or not -- towards a new aviation world. I have outlined the general principles we hope to see that aviation world embody.

Now let me address my third point, my thoughts on how the United States can work together with our own aviation partners to build that airline world.

The United States has four basic strategies for moving forward.

First, we will actively seek unrestricted, multi-lateral agreements with those groups of nations that are willing to bring comparable benefits for U.S. carriers and the U.S. economy to the table.

Just a few weeks ago for example, I met with the European Community's Commissioner of Transport in Brussels and proposed that we begin talks to create a fully unrestricted North Atlantic air cargo market.

Last week, the EC responded and we now have now agreed to establish working groups to pursue such negotiations. We expect their work will begin in January.

This is a major step towards multi-lateralism -- and we hope to build on it.

Rather than continue country-to-country negotiations, which may, in themselves, cause tensions among EC nations, we believe that it is more prudent to pursue an EC-wide agreement.

An open air cargo agreement can generate confidence as we work towards a liberalized air passenger agreement with the EC.

Secondly, while we pursue multi-lateral accords, we will also seek to liberalize existing bilateral agreements -- ensuring that any such agreements actually stimulate more air travel, increase competition, and add to -- not reduce -- any other aviation rights that existing bilaterals already contain. We plan to move forwards -- not backwards.

We understand that agreements should not and cannot be one-sided. Each party must gain something of value. But only agreements that increase access, foster competition and above all expand air travel are worth signing.

We are currently seeking such a liberalized accord with the United Kingdom, and we expect to complete these discussions by next March.

Incidentally, nations having hopes of negotiating a Bermuda II-type agreement, such as the one that the United Kingdom currently has with the United States, should abandon such dreams. We believe that the Bermuda II concept is outdated and too inflexible for future air travel growth.

Thirdly, while we work towards a broader, less confrontation-prone aviation world, we will vigorously defend all existing U.S. bilateral rights -- and take action, through all available means, against any foreign competitors whose governments discriminate against or fail to honor the rights of U.S. airlines. We reserve the timing and force of our actions to our own judgement. No one should underestimate our resolve in this regard.

Fourthly, we will explore the formation of a global coalition of like-minded, free market-oriented nations that recognize the benefits to citizens and national economies of expanded air travel.

Our aim will be to determine whether such a group of nations could create sufficient "critical mass" to offer a host of new air rights and services to their carriers and citizens -- and provide comparable benefits to our own.

In pursuing all of these strategies, the United States seeks partners willing to work with us to craft agreements that provide advantages for all parties. We aim to further the growth of world aviation and realize the stimulus such growth offers to all air carriers and all national economies.

[CONCLUSION]

Ladies and Gentlemen, like the founders of the IATA in 1944, we are living through a period in which the reform of international aviation rules is critical. The old order is like a broken thermometer -- we cannot glue the shards of glass together or squeeze the spilled mercury back in.

There is a new international aviation world struggling to be born. It is being driven by commercial and financial forces too powerful to be restrained by either carriers or their governments. The evolution of this new aviation world may be painful to some, but it will be immensely beneficial to many more -- for travellers, for shippers, for tourists, airline workers and aircraft builders. It will provide a spur to lasting growth in trade and jobs throughout the world. It will fashion the cities of the 21st century.

This new aviation order will put consumers in the driver's seat. Travelers and shippers -- not government bureaucrats or airline managers who hide behind bureaucrats -- they will be the arbiters of carriers' success or failure.

Some governments and some carriers may think they can run and hide from this new aviation world. They may yearn for a bygone era of showcasing "national champions." I would remind them of the words of a great American champion, Joe Louis, who warned his boxing rivals: "You can run, but you can't hide."

Thank you all very much.

#####

DRAFT 10-31-93

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
PORT OF HOUSTON NAFTA RALLY
NOVEMBER 2, 1993
HOUSTON, TEXAS

I'm delighted to be here today, and I want to thank Ned Holmes and H. Thomas Kornegay of the Port of Houston, Mayor Bob Lanier of Houston, representatives of the Southern Pacific Railroad and all of you who had a hand in this outstanding rally and exhibit.

It is very heart warming to me to see this kind of enthusiastic support for one of the critical elements of President Clinton's strategy to get our economy moving again -- the North American Free Trade Agreement.

By being here today you have shown your commitment to America's future, to using exports to generate more jobs for American, for Texans and for Houston.

And you are here to demonstrate just what President Clinton is preaching -- that there is no better job generator in the world than exports. I want you to know the President had a "products day" similar to this on the White House lawn a couple of weeks ago -- and the response was tremendous. We are offering proof positive that NAFTA will be good for the United States economy.

Your products illustrate the importance of passage of the North American Free Trade Agreement -- which we

are all going to have to redouble our efforts to get through.

On Sunday, we turned the clock back an hour to end day light savings time this year. But you are demonstrating by your presence here today that you understand America cannot afford to turn the clock back on NAFTA.

I'm here to say we will not turn back the clock. We are going to win this battle for the NAFTA. It will be close but we will win because people like you had the wits and courage and determination to speak up.

And that's what it's all about. These are exciting times of change for our country -- filled with tremendous challenge and hope for the future.

Competition in world markets demands that we turn outward to the export market. What better way than taking a century opportunity to create the largest free market on the face of the globe, 370 million people and a \$6.5 trillion output.

I know I'm preaching to the choir -- because of all the cities that stand to gain from NAFTA, none is better positioned than Houston, the nation's leading port for trade with Mexico.

Since 1986, when Mexico began lowering its tariffs, shipments to Mexico from the Port of Houston have

climbed significantly every year. As NAFTA brings Mexico's tariffs down toward zero, the volume of goods passing through the Port of Houston can only continue to grow.

That's because Texas is already the largest exporter to Mexico among all our fifty states -- with Texas' sales to Mexico up from \$6 billion in 1987 to \$19 billion last year. That export surge supports the jobs of more than 184,000 Texans -- in oil and petrochemicals, agriculture, livestock raising, electronics, furniture, lumber -- and a host of other industries.

Now, I know I don't have to tell anyone here today that NAFTA has become a terribly emotional issue for many people -- an unfortunate symbol of all the real anxieties that Americans feel in tough times of transition and global competition.

This Administration supports NAFTA for one basic core reason: We truly believe that it will create more American jobs. We wouldn't support it if we didn't believe that.

We know that some American companies have moved jobs to Mexico -- and they would be free to do so with or without NAFTA.

But at the same time, as Mexico's tariffs have fallen in recent years, you know here in Houston that our exports to the South have boomed. Our country had a \$5

billion trade surplus with Mexico last year, and 700,000 American jobs depend on sales to Mexico right now.

As NAFTA lowers Mexican tariffs, one of the main reasons that companies move to Mexico now will actually disappear -- the need to locate plants there to jump over the tariff "walls."

Instead of having to move to get into the fast-growing Mexican markets, companies will be able to export more to Mexico from U.S. plants, employing American workers.

Mexican companies and consumers now spend 70 cents of their import dollars on U.S. goods -- and NAFTA will nail down that American advantage.

That's why top Japanese officials have lately been voicing their worries about NAFTA. They think it's a bad deal for Japan -- and they're absolutely right. Because with NAFTA, American companies will hold a much bigger share of Mexico's markets than the Japanese can hope to get.

If NAFTA is defeated, though, you can be sure that our rivals in Japan and Europe will move in -- with deals in hand -- and take over what should be America's natural markets beginning in Mexico and moving down through all of Latin America.

What's more, NAFTA is key to sustaining the export surge that has created seven million American jobs -- and

will create millions more by the year 2000. That's because NAFTA will strengthen our hand in all the trade talks we face with nations in Asia and Europe and the rest of Latin America. If NAFTA fails we'll lose respect worldwide. We'll lose clout in trade talks. And we'll put millions of U.S. export jobs at risk.

We believe that the stakes in the NAFTA debate are that high for this country.

Everything that critics of NAFTA worry about -- from jobs to the environment, to illegal immigration -- will get better if the treaty passes -- and much, much worse if it fails.

Ladies and Gentlemen, we are going to win this fight. Because Americans know that we can't roll up in a ball and hide from global competition. Free trade is what made this country great. I would remind the critics of NAFTA that our national symbol is the American eagle -- not the armadillo!

But it's going to be close and it's going to take all the wits, energy and determination for which Texans and especially Houstonians in this organization are famous. I urge you to leave no stone unturned -- get the message out -- it's time to put on a full court press. Speak out.

And maybe the best way to start is to invite those "naysayers" who claim NAFTA will cost American jobs to come to Houston.

Let them talk to the employees of Enron Corporation, which expects to play a significant role in development of Mexico's power generation industry.

Let them talk to the workers at Riviana Foods, Inc., where rice exports to Mexico have increased 100-fold since President Salinas began his trade liberalization policies.

Let them talk to Microwave Networks where the Mexican market accounts for 30 percent of sales that should reach \$50 million this year.

Let them talk to the airlines that flew 1.2 million people between Houston and Mexico last year.

Let them talk to the air cargo carriers, handlers and shippers, who have seen air cargo to Mexico soar from 9.5 million to 25 million pounds in five years.

Let them talk to all the exhibitors at this event! So they will know the truth about the benefits of NAFTA.

That's what I say to these "naysayers" -- the purveyors of gloom and doom about NAFTA. Come to Houston!

Anyone who looks at Houston, the fourth largest city in the United States, with this beautiful port -- ranking first in foreign tonnage -- and Houston's outstanding airport -- the eighth busiest U.S. airport for international passengers -- knows that the economic strength of this city

would not be possible without the people in this audience. In these final days of a debate that will decide the direction of the American economy for generations to come, let me say how much I appreciate your support. You know you have mine.

Thank you very much.

###

DRAFT 10-31-93

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
PORT OF HOUSTON NAFTA RALLY
NOVEMBER 2, 1993
HOUSTON, TEXAS

I'm delighted to be here today, and I want to thank Ned Holmes and H. Thomas Kornegay of the Port of Houston, Mayor Bob Lanier of Houston, representatives of the Southern Pacific Railroad and all of you who had a hand in this outstanding rally and exhibit.

It is very heart warming to me to see this kind of enthusiastic support for one of the critical elements of President Clinton's strategy to get our economy moving again -- the North American Free Trade Agreement.

By being here today you have shown your commitment to America's future, to using exports to generate more jobs for American, for Texans and for Houston.

And you are here to demonstrate just what President Clinton is preaching -- that there is no better job generator in the world than exports. I want you to know the President had a "products day" similar to this on the White House lawn a couple of weeks ago -- and the response was tremendous. We are offering proof positive that NAFTA will be good for the United States economy.

Your products illustrate the importance of passage of the North American Free Trade Agreement -- which we

are all going to have to redouble our efforts to get through.

On Sunday, we turned the clock back an hour to end day light savings time this year. But you are demonstrating by your presence here today that you understand America cannot afford to turn the clock back on NAFTA.

I'm here to say we will not turn back the clock. We are going to win this battle for the NAFTA. It will be close but we will win because people like you had the wits and courage and determination to speak up.

And that's what it's all about. These are exciting times of change for our country -- filled with tremendous challenge and hope for the future.

Competition in world markets demands that we turn outward to the export market. What better way than taking a century opportunity to create the largest free market on the face of the globe, 370 million people and a \$6.5 trillion output.

I know I'm preaching to the choir -- because of all the cities that stand to gain from NAFTA, none is better positioned than Houston, the nation's leading port for trade with Mexico.

Since 1986, when Mexico began lowering its tariffs, shipments to Mexico from the Port of Houston have

climbed significantly every year. As NAFTA brings Mexico's tariffs down toward zero, the volume of goods passing through the Port of Houston can only continue to grow.

That's because Texas is already the largest exporter to Mexico among all our fifty states -- with Texas' sales to Mexico up from \$6 billion in 1987 to \$19 billion last year. That export surge supports the jobs of more than 184,000 Texans -- in oil and petrochemicals, agriculture, livestock raising, electronics, furniture, lumber -- and a host of other industries.

Now, I know I don't have to tell anyone here today that NAFTA has become a terribly emotional issue for many people -- an unfortunate symbol of all the real anxieties that Americans feel in tough times of transition and global competition.

This Administration supports NAFTA for one basic core reason: We truly believe that it will create more American jobs. We wouldn't support it if we didn't believe that.

We know that some American companies have moved jobs to Mexico -- and they would be free to do so with or without NAFTA.

But at the same time, as Mexico's tariffs have fallen in recent years, you know here in Houston that our exports to the South have boomed. Our country had a \$5

billion trade surplus with Mexico last year, and 700,000 American jobs depend on sales to Mexico right now.

As NAFTA lowers Mexican tariffs, one of the main reasons that companies move to Mexico now will actually disappear -- the need to locate plants there to jump over the tariff "walls."

Instead of having to move to get into the fast-growing Mexican markets, companies will be able to export more to Mexico from U.S. plants, employing American workers.

Mexican companies and consumers now spend 70 cents of their import dollars on U.S. goods -- and NAFTA will nail down that American advantage.

That's why top Japanese officials have lately been voicing their worries about NAFTA. They think it's a bad deal for Japan -- and they're absolutely right. Because with NAFTA, American companies will hold a much bigger share of Mexico's markets than the Japanese can hope to get.

If NAFTA is defeated, though, you can be sure that our rivals in Japan and Europe will move in -- with deals in hand -- and take over what should be America's natural markets beginning in Mexico and moving down through all of Latin America.

What's more, NAFTA is key to sustaining the export surge that has created seven million American jobs -- and

will create millions more by the year 2000. That's because NAFTA will strengthen our hand in all the trade talks we face with nations in Asia and Europe and the rest of Latin America. If NAFTA fails we'll lose respect worldwide. We'll lose clout in trade talks. And we'll put millions of U.S. export jobs at risk.

We believe that the stakes in the NAFTA debate are that high for this country.

Everything that critics of NAFTA worry about -- from jobs to the environment, to illegal immigration -- will get better if the treaty passes -- and much, much worse if it fails.

Ladies and Gentlemen, we are going to win this fight. Because Americans know that we can't roll up in a ball and hide from global competition. Free trade is what made this country great. I would remind the critics of NAFTA that our national symbol is the American eagle -- not the armadillo!

But it's going to be close and it's going to take all the wits, energy and determination for which Texans and especially Houstonians in this organization are famous. I urge you to leave no stone unturned -- get the message out -- it's time to put on a full court press. Speak out.

And maybe the best way to start is to invite those "naysayers" who claim NAFTA will cost American jobs to come to Houston.

Let them talk to the employees of Enron Corporation, which expects to play a significant role in development of Mexico's power generation industry.

Let them talk to the workers at Riviana Foods, Inc., where rice exports to Mexico have increased 100-fold since President Salinas began his trade liberalization policies.

Let them talk to Microwave Networks where the Mexican market accounts for 30 percent of sales that should reach \$50 million this year.

Let them talk to the airlines that flew 1.2 million people between Houston and Mexico last year.

Let them talk to the air cargo carriers, handlers and shippers, who have seen air cargo to Mexico soar from 9.5 million to 25 million pounds in five years.

Let them talk to all the exhibitors at this event! So they will know the truth about the benefits of NAFTA.

That's what I say to these "naysayers" -- the purveyors of gloom and doom about NAFTA. Come to Houston!

Anyone who looks at Houston, the fourth largest city in the United States, with this beautiful port -- ranking first in foreign tonnage -- and Houston's outstanding airport -- the eighth busiest U.S. airport for international passengers -- knows that the economic strength of this city

would not be possible without the people in this audience.
In these final days of a debate that will decide the
direction of the American economy for generations to
come, let me say how much I appreciate your support.
You know you have mine.

Thank you very much.

###

DRAFT 10-30-93

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
GREATER HOUSTON PARTNERSHIP

NOVEMBER 2, 1993
HOUSTON, TEXAS

I want to thank Richard Ramirez for that kind introduction. Actually it was quite generous, but what else would you expect from my very dear friend of many years.

It's great to be in Houston today at one of the oldest, largest and most successful business organizations in the country.

Anyone who looks at Houston, the fourth largest city in the United States, with its port -- ranking first in foreign tonnage -- and its airport -- the eighth busiest U.S. airport for international passengers -- has to realize that the economic strength in this city today would not be possible without several generations of members of the Greater Houston Partnership.

You in this organization don't just go along with change. You are always right out front creating it.

And that's what it's all about today. These are exciting times of change for our country -- filled with tremendous challenge and hope for the future.

Yesterday I was in Dallas to meet with members of the International Air Transport Association. We discussed quite seriously how to restore the vitality and economic

strength of the world's aviation industry, which of course is led by a highly competitive, efficient U.S. airline industry.

This morning at my Alma Mater, the University of Texas in Austin, I spoke at a Defense Conversion Seminar to help redirect our extraordinary defense technology base to civilian uses that will revolutionize transportation and improve the quality of our lives.

And when we finish this meeting, I'm going over to the Port of Houston for a products fair -- similar to one the President had on the White House lawn recently. I'm going to see the displays of products exported from Houston to Mexico.

Those products illustrate the importance of passage of the North American Free Trade Agreement -- which we are all going to have to redouble our efforts to get through.

On Sunday, we turned the clock back an hour to end day light savings time this year. But America cannot afford to turn the clock back on NAFTA.

All these issues -- sound international aviation policy, converting defense technologies to civilian uses, many of which are transportation-related, free trade, NAFTA -- and many more are elements of President Clinton's strategy to get our economy moving again.

The President's Economic Plan is already doing that. The budget restored America's reputation for fiscal responsibility and won renewed respect in world financial markets.

That's why interest rates have come down so much, that's why the economy grew at 2.8 percent annual rate in the 3rd quarter, and that's why a million new jobs have been created so far this year. That's more jobs created than in the previous four years combined.

But we're not satisfied. We need to not only make economic and technological investments that will pay off for generations to come but to restore a sense of personal security in the American work force.

That's why the President's health care plan is so central to his economic strategy and so critical for this nation's global competitiveness. His health care reform legislation which was introduced last week builds on America's strengths -- free market forces, competition and the creation of new public partnerships.

And passing it is critical to America's global competitiveness because our out of control health costs are like a ball and chain in competition with nations that have their health costs under control.

I urge you to make every effort to help health care reform pass. Because this crucial step toward personal security will give our people the courage to unleash

America's genius and energy to compete in the international marketplace.

Competition in world markets brings me to the most pressing economic challenge facing the Administration and the nation today and that is passage of NAFTA -- a once in a century opportunity to create the largest free market on the face of the globe, 370 million people and a \$6.5 trillion output.

I know I'm preaching to the choir -- because of all the cities that stand to gain from NAFTA, none is better positioned than Houston, the nation's leading port for trade with Mexico.

Since 1986, when Mexico began lowering its tariffs, shipments to Mexico from the Port of Houston have climbed significantly every year. As NAFTA brings Mexico's tariffs down toward zero, the volume of goods passing through the Port of Houston can only continue to grow.

That's because Texas is already the largest exporter to Mexico among all our fifty states -- with Texas' sales to Mexico up from \$6 billion in 1987 to \$19 billion last year. That export surge supports the jobs of more than 184,000 Texans -- in oil and petrochemicals, agriculture, livestock raising, electronics, furniture, lumber -- and a host of other industries.

Now, I know I don't have to tell anyone in this room that NAFTA has become a terribly emotional issue for many people -- an unfortunate symbol of all the real anxieties that Americans feel in tough times of transition and global competition.

This Administration supports NAFTA for one basic core reason: We truly believe that it will create more American jobs. We wouldn't support it if we didn't believe that.

We know that some American companies have moved jobs to Mexico -- and they would be free to do so with or without NAFTA.

But at the same time, as Mexico's tariffs have fallen in recent years, you know here in Houston that our exports to the South have boomed. Our country had a \$5 billion trade surplus with Mexico last year, and 700,000 American jobs depend on sales to Mexico right now.

As NAFTA lowers Mexican tariffs, one of the main reasons that companies move to Mexico now will actually disappear -- the need to locate plants there to jump over the tariff "walls."

Instead of having to move to get into the fast-growing Mexican markets, companies will be able to export more to Mexico from U.S. plants, employing American workers.

Mexican companies and consumers now spend 70 cents of their import dollars on U.S. goods -- and NAFTA will nail down that American advantage.

That's why top Japanese officials have lately been voicing their worries about NAFTA. They think it's a bad deal for Japan -- and they're absolutely right. Because with NAFTA, American companies will hold a much bigger share of Mexico's markets than the Japanese can hope to get.

If NAFTA is defeated, though, you can be sure that our rivals in Japan and Europe will move in -- with deals in hand -- and take over what should be America's natural markets beginning in Mexico and moving down through all of Latin America.

What's more, NAFTA is key to sustaining the export surge that has created seven million American jobs -- and will create millions more by the year 2000. That's because NAFTA will strengthen our hand in all the trade talks we face with nations in Asia and Europe and the rest of Latin America. If NAFTA fails we'll lose respect worldwide. We'll lose clout in trade talks. And we'll put millions of U.S. export jobs at risk.

We believe that the stakes in the NAFTA debate are that high for this country.

Everything that critics of NAFTA worry about -- from jobs to the environment, to illegal immigration -- will get

better if the treaty passes -- and much, much worse if it fails.

Ladies and Gentlemen, we are going to win this fight. Because Americans know that we can't roll up in a ball and hide from global competition. Free trade is what made this country great. I would remind the critics of NAFTA that our national symbol is the American eagle -- not the armadillo!

But it's going to be close and it's going to take all the wits, energy and determination for which Texans and especially Houstonians in this organization are famous. I urge you to leave no stone unturned -- get the message out -- it's time to put on a full court press. Speak out.

And maybe the best way to start is to invite those "naysayers" who claim NAFTA will cost American jobs to come to Houston.

Let them talk to the employees of Enron Corporation, which expects to play a significant role in development of Mexico's power generation industry.

Let them talk to the workers at Riviana Foods, Inc., where rice exports to Mexico have increased 100-fold since President Salinas began his trade liberalization policies.

Let them talk to Microwave Networks where the Mexican market accounts for 30 percent of sales that should reach \$50 million this year.

Let them talk to the airlines that flew 1.2 million people between Houston and Mexico last year.

Let them talk to the air cargo carriers, handlers and shippers, who have seen air cargo to Mexico soar from 9.5 million to 25 million pounds in five years.

That's what I say to these "naysayers" -- the purveyors of gloom and doom about NAFTA. Come to Houston.

In these final days of a debate that will decide the direction of the American economy for generations to come, let me say how much I appreciate your support. You know you have mine.

Thank you very much.

###

DRAFT - 10-30-93 at 10a.m.

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
SEMINAR ON DEFENSE CONVERSION
NOVEMBER 2, 1993
LYNDON BAINES JOHNSON LIBRARY
AUSTIN, TEXAS

I want to thank Barbara Jordan, one of our nation's truly great leaders, not only for that generous introduction but for being here today.

What we've come to do today is to begin forging one of the largest and most productive undertakings of this decade -- the linking of defense and transportation technologies. I believe you will find this bold venture will rank high among the many worthy causes that count the name of Barbara Jordan among their champions.

Let me also say that I'm delighted that we're here on the campus of my alma mater. For what better place than the University of Texas to come to find the skills, the energy, the innovation, the will and the determination to win the world economic revolution.

This seminar reflects President Clinton's commitment to finding ways to build up a new economy for America while building down defense -- and to use our genius in technology to improve the quality of life. To do all that we seek new applications for defense technologies to the commercial success our country needs.

This is the last of four seminars we've held around the country. At Ann Arbor, at the University of

California/Davis, at MIT and today in Austin we are discussing the vast promise that defense conversion holds for transportation. We want to be the bonding element that unites defense and transportation technologies, the private sector and government, big businesses and small -- all of which can perform a vital function in the conversion process.

Let me put all this in a broader context. We as a nation face two challenges.

First, our economy must create more jobs for all Americans. Government and industry alike must support job retraining to equip our people to compete in a very tough world economy. An absolutely critical part of that is to ensure those who through the decades of facing down communism produced our national security must get a new sense of restored economic security -- the sense that our nation is grateful for the victory they won for America and for democracy. As President Clinton often says, we cannot leave those who won the Cold War out in the cold.

This challenge is an asset -- not a liability -- because we Americans have the technology to make our nation the most competitive economy on the globe. What we need is the vision to use that technology for commercial success as well as defense.

The second challenge America faces is to generate good jobs fast enough to get this economy moving.

The President's Economic Plan is already doing that. It has restored America's reputation for fiscal responsibility and won renewed respect in world financial markets. That's why interest rates have come down so much, the economy grew at 2.8 percent in the third quarter, and one million new private sector jobs have been created so far this year.

But we're not satisfied. We need to do more than celebrate immediate gains. We need to make investments that will pay off for generations to come.

And when you think about it, technology is -- and always will be -- the best new job generator in the world. Technology opens up whole new vistas of progress, creates whole new industries, generates many new and better jobs.

Technology is the strength of our economy. And the nations and companies that bring new technologies to markets enjoy the best jobs and the biggest profits -- provided they stay at the cutting edge.

That's what defense conversion is all about. This vast arsenal of technology that served us so well in national defense can now create new applications and more new technology so we can create more American jobs.

Nowhere is the promise of defense conversion greater than in transportation. We are already witnessing a technological revolution that will transform our economy and our daily lives as much as railroading did in the last

century or the automobile and commercial aviation have in the last few generations.

Though few Americans are yet aware of it, much of this on-going revolution in transportation is being spurred by technologies developed for defense. We will soon be able to use the Global Positioning System based on satellites in outer space to guide airlines and ships and even buses here on earth. GPS can bring airplanes to within a few feet of perfect landings in all types of weather. And GPS is just one of dozens of defense technologies now being turned into civilian uses.

Earlier this year in Dallas, I saw night vision devices used in Desert Storm that Texas Instruments had converted to civilian uses, helping truckers to avoid crashes on dark highways.

A company in California is using light weight composite materials developed for the Stealth bomber to produce strong, fuel efficient, light weight buses. Don't worry, though -- you can see these buses.

In New Mexico earlier this year, I visited Amtech -- one of the exhibitors at this meeting -- and saw the toll tags and other Automatic Vehicle Identification equipment they are producing for Intelligent Vehicle Highway Systems.

Transportation research not directly involved in defense is also creating new technologies. The Natural

Gas Vehicle Technology Center here in Austin is working on a clean, natural gas powered vehicle fleet.

Another of your exhibitors, S.A. Garza Engineering Corporation, is working on the design and construction of high speed rail in Texas. I'm especially pleased to see that because high speed rail is one of my Department's most important priorities -- and the President shares our commitment.

President Clinton's technology policy explicitly calls for sustaining the current level of federal investment in Research and Development while shifting significant resources from defense to civilian technology projects. By 1998, this shift will increase civilian R&D spending by more than \$8 billion a year. This will not only spawn a new wave of civilian inventions, it will also keep intact the extraordinary research community America built up to meet the challenges of the Cold War.

This research community is one of America's greatest assets. And we will encourage great national laboratories like Los Alamos in New Mexico, Sandia, Lawrence Livermore and the Jet Propulsion Lab in California, and labs on college campuses such as this one to help us in the goal of revitalizing American technology and our industrial base.

The Clinton-Gore technology policy will require, for example, that \$300 to \$600 million a year from the Energy Department's nuclear weapons labs be redirected to R&D

projects in partnership with private, civilian firms -- companies that aim to commercialize new technologies.

An even more immediate impact will be felt from the President's Technology Reinvestment Project which has now begun awarding \$500 million in R&D contracts to companies across the country that have developed promising ideas to convert defense technology to civilian use. Many of these innovations will be in the field of transportation.

That's why I insisted that DOT play a lead role in this project precisely because there are so many rich opportunities for applying advanced defense technology in transportation. Just a few months have passed since DOT became a full member of this effort -- and we're already seeing results:

Of the first 15 TRP grants totaling \$140 million, six were directly related to transportation and six more have transportation applications.

This is just the beginning. Another initiative in which my Department will take part is the Advanced Technology Program. It is managed by the Department of Commerce and provides funding to commercial firms in support of commercially relevant technology.

A key facet of all these projects -- and of this Administration's whole technology policy -- is that these awards require 50-50 cost sharing. That is to assure that

the private sector -- which is much closer to the market than the government could ever be -- sees a realistic potential for the commercial viability of its products or processes. They wouldn't put up their money if they didn't.

I believe the promise of all these efforts is enormous. But I don't want to leave the impression that defense conversion will be either quick or simple. There have been many false starts and failures in the past. Civilian markets tend to be more insistent on low prices, quick innovation and customized products for a wide variety of customers and tastes. That's not an easy environment to master for defense contractors accustomed to dealing with one key customer -- The Pentagon -- in a "procurement culture" where long lead times, extreme technical sophistication and standardization are often more important than price.

We know defense firms will be challenged and we stand ready to work with you in any way we can.

But our country has no choice except to move forward. We can't afford to sustain our whole defense industry as major threats recede. The truth is, we don't have to. Hundreds of new applications for defense technology are emerging. More defense contractors are working hard to adjust. Some may spin off whole new civilian divisions, while traditional civilian firms are beginning to tap into rich technological resources of the national laboratories.

We don't want to ever make the mistake made so often in the past -- allowing the products of America's scientific genius to be developed abroad -- for lack of support at home.

We want to see American technology commercialized right here. We plan to help whole new American industries develop and existing ones expand.

We can succeed. I can foresee American companies leading the world in a range of transportation technologies and exporting super-sophisticated air traffic control systems, non-polluting vehicles, high tech safety devices and components ranging from ceramic engine blocks to bridging systems made from composite fiber.

All that begins with the spirit of partnership we forge at this meeting.

After fifty years of sacrificing to defend the world's freedom, America is about to free huge resources to revive our own spirit of invention.

We will forge an alliance of suppliers -- American business, engineers, scientists, inventors -- and customers -- state and local governments and citizen consumers -- who together will create new American industries, employing American workers, earning American wages.

Believe me, if we do that, then anyone who believes that this country is in decline -- or that America's best days are behind us -- is in for the surprise of their lives.

Thank you very much.

###

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL GOVERNORS' ASSOCIATION CONFERENCE
MEETING THE NATION'S
TRANSPORTATION AND AIR QUALITY NEEDS
WASHINGTON, D.C.
NOVEMBER 3, 1993

I want to thank John Thomasian for that very generous introduction. I am very pleased to be able to join you for this important conference. The work we're engaged in today is the latest in a continuing process of dialogue between the States and the Federal government on how best to implement the Clean Air Act and ISTEA.

The themes that have dominated discussion here - the need to cooperate, to coordinate, to work together to achieve important national goals - are the same ones that underlie President Clinton's policies on transportation and environmental issues.

I would like to speak today on three broad topics that are at the heart of our policies:

First, our Administration's commitment to the meshing of transportation and the environment;

Secondly, the co-operation of the Department of Transportation and the Environmental Protection Agency in developing clean air conformity rules and reaching out to help states and local governments implement them;

Finally, I'll touch on the need for us all to encourage greater public involvement if we are to develop truly sustainable transportation and air quality programs.

[THE ADMINISTRATION'S COMMITMENT]

President Clinton believes that wise investment in transportation and infrastructure is critical to revitalizing our nation's economy -- creating jobs and laying the groundwork for long-term development. At the same time, he is strongly committed to continuing the progress that Americans have made in this generation in cleaning up our air and water.

In the past few weeks alone, the President has launched two major programs that tackle the toughest problems that our love affair with automobiles causes -- the one-third of all greenhouse gases that cars and trucks emit and the fifty per cent share of all oil they consume.

These two programs -- The Clean Car Initiative and the Climate Change Action Plan -- are designed to promote both economic development and a cleaner environment with a minimum of new bureaucracy and a maximum of creativity.

The President believes, as you and I do, that economic growth and a clean environment are complementary -- not mutually exclusive -- goals, and that the very best transportation plans and projects can enhance and preserve, even beautify, our cities and rural environment.

We see that in the new parks and open space that the Harbor Tunnel/Central Artery project will bring to downtown Boston. The largest public works project in the country, the Harbor Tunnel/Central Artery will re-unite the core of an historic city which had been severed by an elevated highway for decades. It will also reduce traffic congestion and vehicle emissions at the same time.

We see the integration of transportation and environmental concerns in the 30 bridges along I-75 in Florida designed to allow wildlife to pass under "Alligator Alley" -- and preserve the endangered Florida panther.

And in my home state of Colorado, we see it in the design of I-70 which is elevated as it passes through Glenwood Canyon to allow hiking and bicycling along the banks of the Colorado.

These twin themes of transportation efficiency and the environment are embodied in law in the form of the Clean Air Act and ISTEA.

These two pieces of legislation require, that transportation and environmental policy be carefully integrated to further both Americans' mobility and better air quality. These are aspirations that the American people have insisted on, and which we are all called upon to pursue.

Over the past nine months we in the Department of Transportation have been working to ensure that the most important tools you need to do the job -- ISTEA funds -- are available. And we've made considerable headway.

Last week, the President signed a 1994 appropriations bill for the Department of Transportation that will provide an 8% increase in infrastructure spending over last year, raise federal-aid highway funding by 10.7% and increase transit capital grants by fully 79.7 %.

This legislation will increase road and bridge construction and repair and spur improvements in rail and mass transit. And because just \$156 million of the total \$38.4 billion in this budget is earmarked for highway "demonstration" projects, states will have more flexibility in applying funds.

This budget represents solid progress, but we need more. Many of the challenges you face in integrating transportation plans and air quality goals are costly. State and local governments often don't have the means to meet all of these needs.

I mentioned earlier that ISTEA gives you the tools you need to help clean our air, and that's especially true in terms of flexibility. But reaching the twin goals of greater mobility and air quality will only be possible if the money's there.

When state and local decision-makers have to work with less funds than ISTEA authorizes, it can force you to make difficult choices between mobility objectives and clean air goals.

As the former Mayor of Denver, who struggled hard with limited resources to improve air quality, I understand the challenges and the painful choices which confront State and local officials. We *need* full funding of ISTEA if you are to have the flexibility and the financing to address the multiplicity of needs you're faced with.

The President is committed to achieving full funding of ISTEA and so am I, because I know first-hand the challenges you face.

[COOPERATION WITH EPA ON CONFORMITY]

Just as we continue to seek the funds you need, I have also been working with Administrator Browner to ensure that the States have the guidance they need under the Clean Air Act.

Conformity, the subject of this conference, is among my highest priorities.

We have addressed a number of difficult and complex issues with EPA, and invited comments from a number of interested parties. We have, for instance, carefully considered the NGA's resolution of this past August.

Although we may not be able to completely satisfy everyone, I think that when the final conformity regulations are published later this month, we will have a set of rules that appropriately balances the Nation's transportation and environmental needs.

In August, Administrator Browner and I fulfilled an important Clean Air Act requirement when we submitted to Congress a report on our progress over the past three years. That report, *Clean Air Through Transportation: Challenges in Meeting Air Quality Standards*, is included among your conference materials, and I'd like to briefly discuss its findings with you.

For one thing, this report makes it clear that our existing tools for integrating transportation projects and improved air quality need substantial improvement. We need more comprehensive data and better

computer models to enhance our understanding of the interactions between travel behavior, transportation systems, and air quality.

We at the Federal level are doing extensive research in these areas, and I encourage you to devote the resources necessary to better understand the problems at the State and local levels.

What we do know is that significant emissions reductions through conventional transportation control measures (TCMs) are unlikely. While measures such as HOV lanes and mass transit remain valuable elements of our policy, they produce only a 1 to 2 percent reduction in vehicle emissions. These contributions are significant, but they are not enough to reach our Clean Air Act targets.

We will continue to rely on TCM's to change travel habits and patterns over the long term -- as well as to ease congestion, conserve energy and preserve our fields and forests and wetlands. But we see more immediate, exciting promise in technological advances towards cleaner fuels and cleaner engines.

Indeed, today's cars are 90 percent cleaner than those of a generation ago *because* of such technical features as catalytic converters and unleaded gasoline. These advances mean that our air has improved everywhere -- although not yet enough to meet National standards in many areas.

I am confident that the new Clean Car alliance between the extraordinary research laboratories that won the Cold War and the Big Three automakers in Detroit will produce dramatic breakthroughs in fuel efficiency -- maybe even whole new "green" engine technologies -- in the years to come.

But in the here and now, we need every tool in our policy kit to ensure that transportation plans also mesh with air quality targets.

Because even if we succeed in tripling auto mileage -- a goal as technologically ambitious as the Apollo space program -- we will still have to find ways to reduce congestion.

One of the most important new tools to do that will be provided by a tax law change that President Clinton has proposed as part of his Climate Change Action Plan.

This will allow many commuters the option of "cashing out" the value of parking leased by their employers and receiving that money as taxable income -- while preserving the value of the deduction for their employers.

This is not small change. Nationwide, we estimate that employer-leased parking runs upwards of \$52 billion annually. And in California, which passed a similar law in 1992, response by employees has been substantial -- with car and van-pooling up significantly.

We believe that this voluntary tax law change will reduce congestion and pollution -- while raising more than \$1.2 billion in new tax revenue by the year 2000.

Although it is primarily designed to reduce greenhouse gas emissions, this change will also help improve the air quality in some of the cities facing the greatest challenges in reaching conformity.

It makes good sense for businesses -- which won't have to spend any more money than they do now -- and for employees, who will see their travel choices expand. And it requires no new bureaucracy or red tape.

The Department of Transportation has worked closely with Administrator Browner on the Climate Change Action Plan and we will be jointly sponsoring a series of conferences with EPA in coming months to explain how transportation and infrastructure planning must be adjusted to meet the final conformity rules of the Clean Air Act.

The DOT is also hosting ten regional field hearings on ISTEA -- the first one this Friday in Hartford, Connecticut -- led by my Deputy Secretary Mort Downey and the director of our Office of Intermodalism, Michael Huerta.

Our goal is to seek out the views of state and local officials, businesses, and citizens on how the ISTEA process is working now -- and what we need to do to improve it.

I hope that many of you in this room can attend these sessions. We welcome your comments and suggestions. We are all in this together, and as this conference itself demonstrates, better coordination between transportation and environmental officials at all levels of government is the key to meeting the goals we all share.

After all, the goals of greater mobility and cleaner air are right up there with motherhood and apple pie. I don't know anyone who's *against* clean air or who's *fighting for* gridlock and traffic jams. It's when we get down to deciding how these objectives should be achieved, that consensus can be so hard to reach.

[THE NEED FOR PUBLIC INVOLVEMENT]

This brings me to my third topic -- the need for greater public involvement in transportation and air quality planning.

One of the things that President Clinton has prided himself on is this Administration's commitment to diversity and inclusiveness. This Administration is dedicated to incorporating new and different views. Those who, in the past, may not always have been heard can now have a part in decision-making.

The same principle applies in transportation planning. Under ISTEA, the involvement of community groups, local businesses and citizens in the planning process is legally mandated.

As government officials, we have a duty to help frame the public debate on transportation and environmental issues. It's up to us to outline them in an understandable, meaningful way. We have to carefully evaluate potential solutions, and present them honestly to our elected officials and the general public.

As many of you know, this is often a very uncomfortable prospect for officials accustomed to making decisions away from the tumult of public debate. But it is also essential to developing the broad public consensus without which transportation policies and air quality programs will not have the support they need to work.

Everyone here who worked with transportation controls during the oil crisis of the early 1970s remembers all-too well how hard it is to enact public policy without public support.

My experience as Mayor of Denver also convinces me that it is better to engage citizens, businesses and community groups in the early stages of the planning process -- rather than have them feel alienated and engage you later in court. Securing broad public backing is part of all of our jobs -- and getting it actually makes our jobs easier.

Extensive public engagement, for example, has required several substantial modifications to the Boston Harbor Tunnel/Central Artery project -- but it has also secured broad-based community support and help keep the process moving forward. By contrast, all of us can call to mind transportation projects or plans that have had to be rolled back or cancelled because the public was not adequately consulted and no consensus was built behind them.

Those sorts of experience, and the lessons learned from them, are reflected in the ISTEA planning regulations we recently issued. They call on all of us to involve the public in the critical decisions we'll be making in the years ahead -- because they will rarely be easy.

As the DOT-EPA report to Congress notes, there are three major constraints that are beyond the control of all of us in the transportation and air quality communities.

The first is that America's land-use patterns -- today and for the foreseeable future -- virtually require automobile travel, and automobiles produce the bulk of the emissions we want to reduce.

The second constraint is that budget shortfalls constrain the ability of State and local governments to address multiple priorities.

Thirdly, there is often sharp public opposition to projects or programs which either restrict travel freedom or raise travel costs.

[CONCLUSION]

These three constraints -- geographic, fiscal, and political -- force us to be bold and creative in our pursuit of solutions -- incorporating all modes of transportation -- not just highways and transit.

With land scarce and travel demand rising, we need to consider every economically viable alternative to simply expanding existing transport systems -- including more support for tele-commuting.

We need to change our mind-set from one of accomodating vehicles to one of facilitating the movement of people, goods and information in new ways that are more compatitible with Americans' demand for clean air and a cleaner environment.

These goals are complimentary, but they do demand that we reach out to involve and educate our publics -- and incorporate their concerns in our plans.

Ladies and gentlemen, we are in the midst of a revolution in transportation technologies -- from Clean Cars to IVHS systems to satellite guidance systems that will one day track cars and buses and trains.

These technological wonders will, we hope, make many of today's pressing concerns about air quality moot. But we cannot wait for them to be deployed. We are charged with finding solutions that work now.

And that will take every ounce of creativity we can muster. Thomas Edison once said that genius is 1 percent inspiration and 99 percent perspiration. Another way of looking at it is that just a little bit of inspiration can save a lot of sweat.

I believe that conferences like this one -- and the meetings that EPA and my Department will be hosting in coming months -- provide exactly the environment we need to find that inspiration.

Thank you all very much.

#####

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL COUNCIL OF ELECTED COUNTY OFFICIALS
NOVEMBER 5, 1993
WASHINGTON, D.C.

(Tim Davis will present reasons they've come to see you. Namely, counties want direct access to federal funding.)

I. INTRODUCTION

- As I listened to Tim describe the challenge local governments face in getting state funding for the kinds of transportation that people will use, I was reminded of a story about an American general prior to World War II.

- This general was observing British army maneuvers and noted that mobile artillery pieces were served by seven soldiers, one of whom did nothing but stand at attention while the other six fired the gun.

- The general inquired what the seventh man was for.

- He found out that in the old days before trucks, the seventh man held the horses so that they wouldn't run off when the gun was fired.

- The horses were gone but the original structure, now useless and expensive, remained in place.

- That's about as modern as the rules governing surface transportation planning that I found when I arrived in Washington.

- But, ladies and gentlemen, I assure you that things are changing even as we speak.
- But all of you in this room are going to have to help us make change work.
- That's why I'm delighted that you have formed this National Council of Elected County Officials, and I welcome you to the arena of change.
- Indeed, we actively invite your participation -- as ISTEA mandates -- in the transportation planning process.
- Although current law does not permit us to by-pass states and make grants directly to counties as you have suggested -- you do have a voice and I believe it can be a very strong voice in the process.

II. HISTORICAL PERSPECTIVE

- Let's look for a moment at how we got to this point and where do we go from here.
- The system that designated the state governments as the transportation planners, road builders, and principle partners with Washington was put into place in the 1916 Highway Act.
- It's a system that's been in place over 70 years, grounded in strong institutional logic.

-- The states had the bonding authority, the contracting authority and could be held accountable. They were the logical partners in building and managing the Federal-aid highways.

-- The bureaucracy that would have been needed if the federal government had to directly manage the roadbuilding business would be immense.

-- The system fit the needs of the time -- and still has many redeeming features.

-- But ISTEA has opened up the planning process and given local governments, citizens and community groups a far greater role.

III. CHANGE & HUMANIZATION OF TRANSPORTATION

- One reason is that today's transportation needs have changed. The Interstates are built. And on that foundation we will create a 155,000-mile National Highway System. But the real challenge today is to make transportation serve people at the local level.

- In that regard, you and I share the same Number One Priority -- a transportation system that is safe, affordable and enhances the environment -- a fully integrated

intermodal transportation system that meets the needs of people in each local community.

- Last month we issued the final ISTEA planning regulations. I believe they represent the direction that transportation planning must go in this country, and I urge you to use them to the fullest extent.

-- If they don't work, I want to hear about it. But I need you to try making them work first.

- Today, in Hartford, Connecticut we are beginning a series of DOT Regional Roundtables on ISTEA. This is your first opportunity to give us a "reality check" on how well ISTEA is working.

-- At these meeting, we will hear from many local officials and private citizens. I urge you to get people out to these regional meetings to discuss how we can make the system work better.

- The planning regulations change forever the way we will make transportation investment decisions.

-- First, the rules require metropolitan and statewide transportation planning. States must have a long range plan with a 20-year horizon and a Statewide Transportation Improvement Program containing at least three years of projects that are continually evaluated and updated. This requirement alone, I believe, will make state DOT's more receptive to local

plans, more likely to welcome your initiatives -- and more responsive in approving funding for county projects.

-- The rules require that we bring many, many more players to the planning table. They will produce active public involvement -- opportunities for early public participation and full review of the long-range plans by citizens as well as community groups.

-- Local governments and interested citizens as well as community groups will be involved in the planning process.

-- This obviously requires a new way of doing business for the states and perhaps for some counties, too.

-- But my experience as mayor of Denver convinces me that unless you engage citizens right from the start -- at the planning table -- your project will never get finished -- because they'll engage you in court.

- Most importantly, the regulations require that balanced consideration be given to state and local needs so that we can indeed "humanize" transportation and make it serve the vital functions so necessary to individuals in their daily lives.

-- Transportation is more than bricks and mortar -- it means getting kids to the soccer game, a single parent getting a kid to the day care center, an elderly citizen

getting to the medical center. This is the real heart of what the new planning regulations mean.

- The new rules require that our plans emphasize preservation and more efficient use of existing transportation facilities; that we seek more multimodal or intermodal solutions to transportation challenges; that we rely on innovative and nontraditional approaches such as HOV lanes and van pooling to meet capacity challenges; that we use technological solutions wherever appropriate.
- Second, the regulations recognize that transportation and air quality are interdependent. The regulations will help state and local governments in planning to meet the mandates of the Clean Air Act.

III. CONCLUSION

- Now, I know these rules are no panacea. They are a beginning. They are only one of a series of tools to help us meet the challenges of the future -- the challenges of creating a safe, seamless intermodal transportation system that meets local needs.
- Work with us and together we will succeed, in part, I believe, because President Clinton has drawn to Washington so many people from state and local governments. We understand the challenges you face every day because we've been there.

- You have a President who was a Governor, a Secretary of Transportation who was a Mayor, a Deputy Secretary of Transportation who directed the New York MTA, a Federal Highway Administrator, Rodney Slater who was Chairman of the Highway Commission in Arkansas. And Jane Garvey, Rodney's deputy, was a leader in the largest highway project in the nation-- the Boston Harbor Tunnel.

- Our Deputy Assistant Secretary for Governmental Affairs, John Horsely, is a former County Commissioner in Washington State.

- We also have on board a Federal Transit Administrator, Gordon Linton, who was a state legislator, a Federal Railroad Administrator, Jolene Molitoris, who was a state rail official, and a director of the Office of Intermodalism, Michael Huerta, who served as executive director of the Port of San Francisco.

- All of us are eager to work with you to serve people at the local level. I've asked for your support today. Let me close by pledging you mine.

###

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
WMATA PRESS CONFERENCE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.
NOVEMBER 10, 1993

Today, the Department of Transportation joins with the Washington Metropolitan Area Transit Authority to do several things that the Clinton Administration has believed in right from the start: to pay down debt and save taxpayers' money; to increase investment in America's mass transit infrastructure; to create more jobs and economic development and, most of all to make this government work better for our people.

We will accomplish all of this through a series of bond re-financings, intra-governmental loans and lines of credit that will, among other things, enable WMATA to carry on with the completion of the entire Metrorail system by the year 2001 -- with all that will mean for Washington area economic development.

I'm going to let my Deputy Secretary, Mort Downey explain most of the details of how we'll achieve all of this. But I want to make three points about these transactions very clear.

The first is that the only reason we are able to save so much tax-payers' money is because we are taking advantage of the low interest rates that the Clinton Administration's economic policies have made possible.

These low rates make it possible to save money by retiring higher cost debts -- and keep on saving interest costs throughout the life of new bond issues.

The second point is that this effort reflects this Administration's commitment to investment in America's transportation infrastructure -- and mass transit in particular.

We have asked for -- and recieved -- a 79% increase in mass transit funding in this year's budget.

We did so because we believe that projects like the Metrorail system -- and others across this country, like the Red Line in Los Angeles and the Metrolink commuter rail system in St. Louis -- create jobs immediately, lay the groundwork for sustained economic development, and relieve traffic congestion and air pollution at the same time.

The third point I want to make is that this re-financing is a perfect example of what we mean when we say "re-inventing government" or building new "partnerships".

WMATA approached DOT with this concept and we were eager to help. Our whole approach is geared to being responsive to local governments, states and authorities -- and especially working hand-in-hand with those who come to us with good ideas.

And this idea was a great one -- it will save money, create jobs, finish the Metrorail and clean the air in this area -- all at once.

What we're doing is really common sense -- doing for government what so many millions of American families and businesses have done -- taking advantage of today's low interest rates to save money by first, re-financing and paying down debt and secondly, cutting total construction costs by getting work done sooner rather than later.

It's about time that we start applying the same creativity in government finance that families and businesses all over this country are applying as the Clinton recovery picks up steam.

I want to congratulate the officers of WMATA for this idea and thank all those who worked with them from my Department -- starting with my Deputy, Mort Downey, former Executive Director of the New York Metropolitan Transportation Authority and our new Federal Transit Administrator Gordon Linton, who comes to us from Pennsylvania, where he served in the state legislature and on the board of the Southeastern Pennsylvania Transportation Authority.

Both of these men bring decades of professional experience in transit and other transportation issues to their jobs. They are part of a leadership team at DOT that is firmly grounded at the grass roots of transportation at the city, state and county level in this country.

That's one reason we were so receptive to WMATA's idea for re-financing -- so delighted, really, to help make it happen.

Because when it comes to hands-on experience with local transportation issues, I don't believe that this Department has ever fielded an all-star team like we enjoy today.

Our top people know the problems and the needs of states and cities and transportation authorities intimately -- because they've been there.

We invite anyone with this sort of creative idea to come to us with it. Our doors are open -- and our ears are open. We are determined to work with partners from all over this country to make this government work better, serve our people better -- and cost less.

Now, to explain how the transactions we're announcing today will do all that, and to answer more detailed your questions, let me turn to my Deputy, Mort Downey.....

#####

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
ST. LOUIS REGIONAL COMMERCE AND GROWTH
ASSOCIATION ANNUAL LUNCHEON
ST. LOUIS, MISSOURI
NOVEMBER 14, 1994

I want to thank my good friend Dick Fleming for that very generous introduction. From our years together in Denver, I am sure that Dick has hit the ground running here in St. Louis -- and you can count on him to do a great job for the economy of this whole region.

It's a great pleasure for me to come again to St. Louis -- for the fourth time since becoming Secretary of Transportation.

I was here last July last year for the opening of your wonderful new Metrolink -- and to work with local and state officials and the members of our Coast Guard who were working their hearts out in that Summer's flood emergency.

I came again in September of this year to see the great work being done to renovate Union Station -- and to visit with TWA management and workers here and in Kansas City. I want to congratulate them for the award they received today -- and for the partnership they forged to earn it.

Let me also say that I had St. Louis in mind -- from more than 7,000 miles away -- when I visited King Fahd in October last year to support the sales of McDonnell-Douglas airliners to Saudi Arabia.

My own experience here tells me that the metro St. Louis region is one of the best examples in the whole nation of the critical connection between all forms of transportation investment and America's economic future. And there are few groups anywhere that so well link business, government, labor, universities and community organizations -- the way you do -- in the kind of partnership that America needs more of.

Today, I want to talk with you about some of what we have achieved in transportation and the crucial role that transportation plays in securing America's economic future.

THE ELECTION'S MESSAGE:
DO THE PEOPLE'S BUSINESS

But before I do that, let me say a few words about last week's election.

The American people sent a very strong message to Washington last Tuesday -- and we heard them loud and clear.

As President Clinton himself said: "there's been too much politics as usual in Washington; too much partisan conflict; too little reform of Congress and the political process....and not enough people have felt more prosperous and more secure."

I believe that the message the people sent in this election poses a real challenge -- not only for the Administration I serve -- but also for the new Republican leadership in Congress.

That challenge is to get about doing the people's business, strengthening our economy, keeping up the work we've done of cutting the deficit and continuing our efforts to shrink the size of the federal government and make it work better and cost less.

I believe that we can come together to do that as Americans -- not as partisans -- working together for the national interest.

We did that by last year by passing the North American Free Trade Agreement. Next month we will do it again by passing the new GATT treaty -- with bipartisan support.

This treaty will add \$110 billion a year more in U.S. production, save consumers billions and bring huge job gains over time.

This Administration intends to keep America an export superpower. Winning support from both parties in Congress for increased world trade

is part of that strategy. And so I want to thank this group -- and commend you -- for unanimously endorsing GATT's passage. I urge you to make your voices heard in next month's debates.

As the President said, doing the right thing on GATT, will "pave the way for further cooperation" on welfare reform, health care reform and broad political reform.

As regards the issues under my jurisdiction, if Yitzack Rabin and Yasser Arafat can shake hands, isn't it possible that Americans can all agree that we must invest in the transportation systems that this country needs -- from highways to urban transit, airports to riverports -- and the intermodal connections that link all of these things to form a truly seamless system.

I hope that we can find support -- across party lines -- for reducing traffic congestion, for cleaning the air, for increasing safety and for developing new American transportation technologies and new American industries to build them -- and to export them worldwide.

We are ready to work toward these goals with anyone who'll work with us -- from Dick Gephardt to Newt Gingrich.

So I am eager to respond to the message the American people sent to Washington last week: get back to doing the people's business.

THE ADMINISTRATION'S TRANSPORTATION ACHIEVEMENTS

I ground my optimism that we can do that in what we have already accomplished in transportation in just 21 months in office.

Right from the beginning this Administration recognized -- as you do -- that investment in transportation is key to raising America's global competitiveness and creating the high-quality, lasting jobs that good transportation brings.

We hit the ground running -- and we started by keeping the President's campaign commitment to invest more in America's transportation and infrastructure.

We secured a record DOT budget -- up 10 percent to \$40.4 billion in 1994 -- including emergency funds to repair infrastructure hit by natural disasters. And we did that at a time when many federal programs were being scaled back.

We have targeted our investments better, and we have used innovative financial techniques to "leverage" our impact by attracting new public and private partners. Very soon we will be announcing dozens of transportation projects in 20 states -- worth more than \$1 billion -- involving public-private partnerships -- none of which could have gotten underway without new financial ideas and greater flexibility from the federal government.

This is the "re-inventing" government message that the President and the Vice President have been espousing.....showing that we can make the government work for the benefit of the American people.

We want to do more of that. We're inviting more ideas. We realize very keenly that in a time of chronic budget restraint we cannot fill the "gap" between America's infrastructure needs and public resources unless we break with business-as-usual habits.

That's why we have "re-invented" the DOT itself -- by slashing red tape, cutting staff by nearly 4,000, paring overhead costs and sharpening

our investment criteria. We have also made the development of American transportation technology a new, central goal for the Department.

And we have integrated all of these initiatives into a comprehensive, long-term strategy -- called the National Transportation System -- to target scarce resources -- and provide better options -- so that America will have the transportation system we need to compete -- and win -- well into the next century.

In short, we have begun to do what so many private American businesses have done: face reality, cut costs, develop a focussed long-term strategy and improve services to the customer -- in our case -- the American people.

Because we took that approach over the past 21 months, we have made real, measurable progress for the American people, for our economy and for America's transportation industries.

Let me give you just a few examples.

American aviation and shipbuilding -- two industries in deep trouble when we took office -- are both showing signs of a healthy recovery.

After losing \$10 billion in the years from 1990-92, the nine major American carriers this year moved into the black, with \$1.4 billion in operating profits -- compared to a collective operating loss of \$1.35 billion through June of last year.

Much of the credit for that belongs to airline managements and workers -- like those of TWA -- who made hard decisions and cut costs sharply.

But the strong economic recovery that President Clinton's policies have secured -- with more than 5.0 million new jobs, record numbers of new businesses, and solid, low-inflation growth -- has clearly been the single most powerful element in the airline revival.

As the recovery continues -- and as the Administration's trade policies open new markets all over the world for U.S. goods and services --

including aviation -- rising international passenger and cargo traffic, which hit record levels last year, will help sustain our airlines' financial recovery.

In much the same way, the Clinton Administration is leading a renaissance in American commercial shipbuilding -- an industry that was dying when we took office -- with just one, single ship export order recorded from 1986-1992.

Today, thanks to a shipbuilding initiative we launched last year -- and changes in maritime finance laws we won in Congress -- foreign orders are pouring in to U.S. shipyards. Foreign ship-buyers now recognize that U.S. yards are ready -- and able -- to compete with any in the world.

Since this Administration has also secured an international agreement to eliminate unfair foreign subsidies, American ship-builders and workers will have a fair chance to compete in the booming world market for new commercial shipping -- 7,000 to 10,000 ships worth \$350 billion -- by early in the next century.

In public transit, too, we have made a dramatic turn-around from the neglect of the 1980's. We have sought and secured the two largest budgets in the history of the Federal Transit Administration -- more than \$9 billion in our first two years in office. And we are investing those funds to complete major transit systems all across the country.

This Administration has, for example, continued the federal government's support for Metrolink. FTA has contributed \$342 million of the \$351 million cost to date, and there is more on the way in our next budget.

This project, begun under Ronald Reagan's presidency has enjoyed bipartisan support from Senator Danforth and Congressman Gephardt -- and from President Clinton who took a ride on Metrolink earlier this year.

We believe that transit systems like Metrolink are critical to relieving congestion, improving air quality and stimulating the growth of entire regions.

Similarly, we see airport development -- something I am very personally associated with as another key to linking regions to national and world markets -- bringing jobs, tourism and investment.

Over the past 21 months, the Federal Aviation Administration, has issued more than 2,600 grants, totalling \$3.26 billion to improve the nation's airports.

We are well aware of the risk of capacity shortage and we are working to equip America's airports -- including Lambert -- to handle the 50 percent increase we foresee in passenger travel by the year 2005.

We passed our first high-speed rail bill this year and we selected Detroit-Chicago-St. Louis-Milwaukee as one of five high-speed rail corridors to benefit from a \$30 million, six-year funding plan to prepare for high speed rail's arrival by eliminating grade crossing hazards.

Our goal in supporting high-speed rail is to relieve congestion on highways and at airports along densely-trafficked corridors across America -- and foster the growth of a new American industry with worldwide potential.

Fostering new American industries is also what DOT's new emphasis on technology development is all about. We have raised the DOT's total budget authority for R&D from \$559 million in fiscal 1992 to \$688 million in 1994 -- an increase of nearly 25% -- at a time when we were cutting or freezing many other line items in our budget.

These new funds are being used to speed the deployment of Intelligent Transportation Systems, to support research and development on new vehicles, new materials, and new communication systems -- in short, to spur along a technological revolution in transportation. Our goal is to see that American firms and American workers take and hold the lead in these technologies -- so that they do not migrate abroad for lack of support here at home.

This technology initiative is part and parcel of the Clinton Administration's commitment to ensure that America's defense workers -- the men and women who won the Cold War -- are not left out in the cold.

Applying their skills and the unique expertise of our great national research laboratories to peaceful ends, we can create transportation technologies that pay a real peace dividend for America.

We're already doing that through the fast-moving deployment of Global Positioning Systems -- based on military navigation satellites that are now available for civilian uses. GPS technologies are already being applied to managing truck fleets, rail car fleets, transit systems, ship traffic in harbors, precision approaches to airports, and better routing of airliners.

These and other transportation technologies we are backing will save American shippers and consumers billions of dollars a year -- and open vast new export markets for their American producers.

We are already backing American exports directly -- as I did personally on the \$6 billion sale of U.S. airliners to Saudi Arabia and indirectly by preparing America's transportation systems to handle the rising volumes of trade that our export strategy is designed to produce.

Along our land borders, DOT is working closely with other federal agencies, state and local governments and our Mexican and Canadian partners to speed the movement of people and cargo. At our ocean and river ports, we are facilitating dredging and improving road, rail and air connections to America's ports -- so that American industries have better access to world markets.

And we are seeking access to new foreign markets for U.S. goods and services through the first U.S. International Aviation Policy developed since the late 1970's.

Everyone here knows that U.S. air carriers offer the best, most competitive services in the world. What you may not know is that my Department has had to act forcefully -- several times in the past 21 months -- to defend U.S. carriers' rights against a wave of protectionist moves by foreign governments.

The new aviation policy we just announced seeks to move beyond

this current, dispute-prone aviation rights system to a far more open aviation world -- one in which we believe that U.S. carriers will flourish and the whole world's economy will gain as well.

We are now engaged in negotiations with nine European nations toward fully open aviation agreements. We will pursue similar access for U.S. carriers in emerging markets in Asia, Latin America and the former communist world -- with the long-term goal of building momentum towards worldwide free trade in aviation.

But while we pursue the growth of America's transportation industries -- at home and around the world -- the safety of travellers has remained our highest priority.

We have fought consistently to raise safety standards in all forms of transportation.

Last year, for example, saw a record number of voluntary automobile safety recalls -- more than 9 million.

We also launched a vigorous campaign to reduce alcohol-related fatalities and increase seat-belt use -- to save 3,000 lives and prevent 153,000 injuries by 1997. And we set tough new drug and alcohol testing rules covering literally millions of workers in all modes of commercial transportation.

We took very strong steps to bolster rail, barge and pipeline safety and inspection and in aviation, among other measures, we moved to install better weather detection systems at the nation's airports and insisted that all 300 foreign carriers serving the U.S. meet minimum international standards -- or be prohibited from flying here until they do.

Let me note that the DOT has also led remarkable efforts in saving lives and restoring transportation services after both natural -- and man-made -- disasters.

Working with other federal agencies and local officials, all elements of the DOT cut red tape and speed emergency grants for recovery here in the Midwest and after this year's deluges in Georgia, Florida and Texas.

When the Northridge Earthquake struck Los Angeles in January, 1994 -- paralysing regional transportation -- DOT helped set up emergency transit services virtually overnight. And we approved -- and funded -- the innovative contractive procedures that brought the Santa Monica Freeway back on line in record time.

Along our Gulf and Caribbean frontiers, the Coast Guard responded to two vast flows of seaborne refugees from Haiti and Cuba by launching Operations Able Manner and Able Vigil -- mustering 6,000 men and women of the active service, reserves and auxiliaries to rescue more than 54,000 people adrift on the high seas.

CONCLUSION

Ladies and Gentlemen, I think that this is a pretty good start toward making the Department of Transportation work better.

I hope that it's also a powerful reminder to you of what we can actually achieve for our country by using the power of government wisely, strategically -- and effectively.

I think that it's important to reflect on that after a campaign in which the real achievements of government -- the things it can do -- and must do -- to serve our people -- were often forgotten. We saw a barrage of negative ads fuel the deep-seated angers and anxieties that the American people feel.

To resolve the very real crisis of confidence that this mood reflects, we need to prove to the American people that this government -- the government that they pay for -- can serve their needs.

We need to prove that we can help Americans make a living in a tough world. We can move people and goods where they need to go. We can educate our children. And most of all that we will uphold the values of work and opportunity and personal responsibility that most Americans

live by -- and that our future depends on.

Only by doing all that can we pass on the American Dream of a better life to our children.

That's a tall order. But it really is the challenge we face. We've had our election. We've heard the people speak.

Now, I believe, it's up to all of us who work in government -- whatever our party -- to prove that while free people may argue and dispute and even doubt ourselves -- we can also rally our spirits, find common ground and make our government work for the people.

That's the job we've got to get down to in Washington. I believe we will do it. In fact, I think that Democrats and Republicans will show the whole world that the best days of America haven't passed us by -- they're not behind us -- they're yet to come.

And they are ours to build together.

Thank you very much.

#####



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

Contact: Jenni Watson
Tel.: (202) 366-4570

STATEMENT OF TRANSPORTATION SECRETARY FEDERICO PEÑA ON
UPS BOEING ORDER AND NAFTA

November 16, 1993

UPS' announcement today that it will buy \$500 million worth of new cargo planes from Boeing is further proof that NAFTA means more and better jobs for American workers.

Last week, UPS threw its support behind NAFTA, saying that the agreement will generate hundreds of new jobs at the company. Now, with today's plane order, it's clear that NAFTA will generate jobs for Boeing workers, too. It's no secret that Boeing and other aircraft manufacturers have seen hard times in recent months. NAFTA is one very powerful way to dramatically increase the volume of international air cargo, the number of cargo planes needed to carry it, and the health of Boeing and other aircraft manufacturers.

Both UPS and Boeing are to be commended for their forward-looking vision of a strong U.S. economy, with American workers leading the way to unprecedented success in the international marketplace. With tomorrow's vote, the Congress has an historic opportunity to join Boeing and UPS, hundreds of other employers, and national leaders coast-to-coast in leading the country toward that vision of prosperity.

#

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MAIN TERMINAL GROUNDBREAKING -- NATIONAL AIRPORT
NOVEMBER 17, 1993
WASHINGTON, D.C.

I want to thank Ron Linton (Airports Authority Chairman) for that introduction and to say how delighted I am to share this stage with all of our distinguished guests, especially Congressman Norm Mineta, whose knowledge of aviation goes far beyond that of a frequent flyer and whose advice, counsel and friendship I value very highly.

I'd also like to add my congratulations to Governor Linwood Holton and Secretary Elizabeth Dole for pioneering the Metropolitan Washington Airports Authority.

And let me also congratulate Jim Wilding (general manager) and all the staff who made the bold move from federal ownership to local control really work. You all are proof positive that reinventing government to make it serve people better is not just a slogan, but a living reality.

I'm especially delighted to be here to break ground for these changes because I use National almost every week. In Bill Clinton's Administration we fly commercial. So I'm in and out of here all the time and I look forward to seeing the beautiful new creation by a world renowned architect who has shown a special sensitivity to Washingtonians and all who visit our city.

This ceremony opens a great week for aviation in America.

Today we break ground for a 35-gate terminal that will serve not only as the gateway to our Nation's Capital but also as a showpiece for two important 21st Century concepts -- intermodalism and the economic importance of aviation. This new terminal also demonstrates just how self sufficient airports become when given the opportunity and just how much communities can do for themselves. Although \$16.7 million in federal grants will go into this terminal project, the lion's share of the \$378 million cost will come from user fees.

We look forward to that day in 1996 when we will be celebrating the opening of 24 gates of this terminal, followed by 11 more gates in 1997.

Friday, I'll be in Denver helping to dedicate the first major new airport constructed in this nation in two decades. Two great national treasures -- Denver International Airport and Washington National -- are so different and yet have so much in common.

Denver International -- the largest airport in the nation -- brand new and ready in all its youthful enthusiasm to meet the future head on.

Washington National -- a grand old airport -- with a brand new 21st Century terminal featuring the finest intermodal connections -- is -- and always will be -- the

gateway to our national government and a showplace of modern concepts.

Both DIA and Washington National represent the hope and promise of the future -- a future fulfilling our nation's commitment to aviation as a powerful economic engine for today and tomorrow.

As we break ground here today, I want you to know how very, very important this airport is to the nation.

Since that day in 1941 when President Franklin Delano Roosevelt dedicated this airport on the mud flats of a bend in the Potomac River -- Washington National has been the Gateway to our Nation's Capital -- gateway to the symbols of freedom and democracy.

For over half a century, Washington National has served as the first impression that many heads of state and tourists alike receive of our nation.

This airport has been the entrance for thousands of our citizens enroute to petition their government as only free people can do and for many American and international visitors enroute to the shrines of Lincoln, Jefferson and Kennedy.

It's been a way station for citizens who come to stand silently in front of the Declaration of Independence, or to mourn at the Vietnam Memorial -- or to wander through

the monument to America's technological genius -- the National Air and Space Museum.

In inaugurations past, Thomas Jefferson traveled to Washington by carriage. Abraham Lincoln came by train. But earlier this year, thousands upon thousands of Americans who came to celebrate the inauguration of President Clinton passed through this great airport terminal.

Washington National is to our generation what Grand Central in New York and Union Station in Washington -- the palaces of railroading -- were to previous generations. Just as Union Station was restored and preserved and yet improved to meet the demands of tomorrow -- even high speed rail -- so too will Washington National have its beauty and history preserved and enhanced for future generations providing passengers 21st Century travel technology, security, convenience and safety.

For many -- 45,000 passengers a day and more than 16 million a year -- the experience of our country begins and ends in this airport terminal.

This project enhances Washington National's importance to the nation for three distinct reasons:

First, the architecture of the new terminal blends the past and present into an even more spectacular new beauty. It's ultra modern yet it also preserves our

memories in the glass wall that emphasizes the panoramic view across the river.

It required great skill -- and good taste -- to blend impressions of the old and the new with the modern security and safety requirements and technological wonders.

It will require even more skill to complete the job and I congratulate all who have a hand in this project.

Second, this airport will be among the nation's finest example of modern intermodalism -- a critical national concept. The 21st century demands that we use all our transportation facilities to move people and goods as efficiently as possible. Everytime we tie America together by blending transit and highways with airports, we have hit on the formula for success.

That's what intermodalism means and that's what this design -- with the terminal directly connected to transit achieves so very successfully.

Believe me, I'm one customer who can't wait for the intermodal linkages at this airport. We have a Metro stop right underneath the DOT building -- the L'Enfant Plaza stop -- just four stops and less than 15 minutes away. This will make my life easier and it's the kind of thing we should do all over the country.

Third, National Airport illustrates the economic importance of airports to the national economy.

Washington National Airport itself is a major employer with over 11,000 people earning nearly \$300 million a year directly -- and generating \$1.75 billion in business revenue.

The Capitol Development Program of the two Washington area airports alone has created 1,100 jobs in this decade, many of them in this terminal project.

So as we break ground for this terminal, let us salute Washington National Airport -- 21st Century gateway to the Capital of the United States of America -- symbol of intermodalism at its finest and showpiece of aviation's power to lift both our economy and our spirits.

####

**REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
DOWNTOWN ROTARY CLUB
DENVER, COLORADO
NOVEMBER 18, 1993**

I want to thank Charles Ansbacher very much for that generous introduction and to tell you all how delighted I am to be back home on such a great day for Denver and for our country.

Today is a great day for our country because of the Democrats and Republicans in Congress who voted last night for the North American Free Trade Agreement.

Because these men and women took their courage in their hands, we are about to create the most powerful trading bloc in human history.

NAFTA will link 370 million people, with total output of nearly \$7 trillion. And it will place Denver right in the heart of the action, halfway between our neighbors in Mexico and Canada.

Tomorrow, when we dedicate Denver International Airport, we'll be positioning our city -- and the whole Rocky mountain region -- not only to fully benefit from the growth of North American markets and world aviation, but to capture an ever-growing share of the boom in global travel and tourism.

This \$3.5 trillion industry is already the largest employer in the world and is projected to grow more rapidly than most national economies in the years to come.

Because we believed in ourselves a decade ago, because we invested in Denver's future -- Denver will see millions of visitors who might not otherwise have come, economic opportunities that might never have existed, thousands and thousands of jobs that might never have been created -- and a new opening for all our citizens to the emerging global economy.

None of this would have happened if we had heeded the voices of doubt and gloom in the tough times of the middle 1980's.

All of you here know that there were some people who argued that we couldn't afford to invest in roads and bridges and a Convention center and a new stadium and our fantastic new airport.

There were those who said we should just wait for the cyclical gods of recovery to smile on us again.

There were even some who believed that Denver's best days were over.

Today, I don't think you can find a better example -- anywhere -- of a community that responded to tough times by growing tougher. Denver is a city whose citizens put aside doubts, believed in ourselves, and took charge of our own destiny.

In many ways, the challenges we faced in Denver in the last decade -- and what we did to meet them -- resemble the challenges that America faces in this decade -- and what we need to do to secure our nation's future prosperity.

Today, I want to discuss with you the overall strategy and priorities of the Clinton Administration.

First, the foundation we have laid for national economic growth;

Second, our commitment to American leadership in an open world trading system and a new partnership between government and business;

Thirdly, this Administration's efforts to give working Americans the basic security and skills they need to adjust, compete -- and win -- in a dynamic global economy.

Basic Budget and Economic Policy:

We began this strategy earlier this year by passing the first serious deficit-cutting budget in nearly a generation -- \$496 billion locked into deficit reduction with serious caps on future spending.

America is already beginning to reap the benefits.

Precisely because world financial markets see that the President's budget is serious, interest rates have fallen more than one full point to twenty-five year lows. Home sales and car sales and home construction are all up. Millions of Americans are refinancing their homes -- or finding it easier to finance the expansion of their businesses.

The great debt binge of the 1980's is over. Corporations are strengthening their balance sheets much faster than most analysts believed possible -- and laying the basis for healthy growth.

Most importantly, our national recovery is picking up momentum.

There have been nearly one million new, private sector jobs created so far this year -- 177,000 new jobs in the last reporting month alone. That's not enough. We're not satisfied. But is more jobs than were created in the previous four years combined.

We have moved to lock in these gains by adopting Vice President Gore's call to "re-invent" government -- to make it work better for the American people and to cost less.

This initiative will trim billions more from federal spending by 1998 -- cut the federal payroll by more than 250,000 full-time positions -- and press every agency of government to streamline purchasing procedures and cut red tape.

The rapid response we displayed throughout government in responding to this summer's floods in the Midwest will soon be regarded as standard operating procedure.

The Clinton budget also provides strong new incentives for investment -- by both private business and the public sector.

Come next April 15, companies that have invested in expansion will find they enjoy higher deductions.

Entrepreneurs and venture capitalists who make long-term investments and hold them past five years will find their capital gains taxes have been cut sharply.

At the same time, we have found ways to address the "investment deficit" of government itself, to increase spending on basic infrastructure -- roads, bridges, airports and high-speed rail corridors.

We are also re-directing existing government funds for technology, research and development into partnerships with private industry that will produce tremendous returns well into the next century.

Taken together, these basic elements of our first budget resemble what so many American businesses have done in recent years: face up to reality, slash borrowing and shift scarce resources from consumption to investment.

By doing so, we have laid a firm foundation for future economic growth.

But we have grappled with the budget not simply for the sake of fiscal soundness as an end in itself. Instead, like a foundation, our fiscal policies are meant to be built on to strengthen America's global competitiveness.

Strengthening America for Global Competition

I don't have to tell you how deeply President Clinton is committed to open markets and free trade.

You've all seen him put himself on the line for NAFTA over the past few weeks. And you also know that took a great deal of political courage.

The President is convinced -- as I am, and I know you are -- that America's future depends on facing up to global competition, not running from it.

He believes that the only way a nation like ours can become richer and build a better future for its people is by expanding trade, knocking

down foreign barriers to U.S. goods, seeking mutually beneficial trade agreements with other nations -- and giving American businesses and workers the tools and incentives they need to lead the world.

Even as we speak, the President is in Seattle, meeting with the leaders of 14 nations in the Asia Pacific Economic Cooperation forum. The Asia-Pacific region is the largest and fastest-growing economic zone in the world -- and one with huge potential for U.S. trade.

Today, however, the United States has a collective trade deficit of well over \$80 billion with our Asian partners.

Quite frankly, that huge trade imbalance is unacceptable. That's why the President is pressing so hard for new openings with our Asian trading partners -- and demanding greater opportunities for American exports.

And that is also why this Administration has shown that it is prepared to take strong retaliatory action when such opportunities are denied -- whether for U.S. air carriers in Australia, U.S. construction firms in Japan -- or any other U.S. industry, anywhere.

When it comes to supporting U.S. trade and exports, this Administration means business.

By passing NAFTA, the Congress yesterday greatly strengthened the President's hand in opening Asia-Pacific opportunities. Next month, we hope to use that added clout to successfully conclude the Uruguay Round of the General Agreement on Tariffs and Trade -- the critical framework for world trade in the next decade and beyond.

The GATT agreement, too, will open new global horizons -- not only for U.S. manufacturers and farmers, but for American service industries, financial firms, advertisers, accountants, computer software designers and others.

Our goal in all of these talks is to sustain and expand an open, free, fair global trading system in which all nations may compete and prosper together.

By leading the world toward such a consensus -- and away from protectionism and trade barriers -- we believe this country can continue the boom that has once again made America the largest exporter of goods and services on this planet.

The rise in U.S. exports is one of the great -- but little known -- success stories of recent years. Just since 1987, American exports have gone up more than \$200 billion a year -- to nearly \$700 billion. Seven million Americans now make their livings from foreign sales.

Partly because of the re-structuring and sacrifice of the past few years, American companies and workers are now among the most productive and competitive on Earth.

President Clinton intends to keep that export momentum up -- and build on America's competitive strength.

Some of you may know that just a few weeks ago the Commerce Department unveiled a new Export Strategy designed to streamline and simplify all of our government's export promotion services. Our goal is to make these programs more accesible and more effective, for businesses like yours.

Together with our continuing efforts to bring down foreign barriers, we believe that we can expand U.S. exports by 50% -- to \$1 trillion a year -- and create six million new American export jobs by the year 2000.

If you doubt that such ambitious goals are realistic, I ask you to reflect on this: exports of cars and trucks made in America have multiplied 1000% since 1987 -- from 45,000 to 450,000 -- and they are projected to double again in the next few years.

There is a second aspect to our strategy for global competition -- that is the creation of new public-private partnerships at home to sustain or re-capture America's technological lead in world markets.

That's exactly what we are doing with the Clean Car Initiative that the Administration launched last month. This is an alliance between the

leading government research laboratories and the Big 3 automakers of Detroit that would have been inconcievable just a few years ago.

Today, we are partners with Detroit in as bold a technological venture as anything since the Apollo space program -- the effort to create a whole new type of personal automobile, powered by revolutionary new engines -- with triple the fuel efficiency of existing models.

We set this target well beyond the envelope of current technology. And we did that on purpose. We know that Detroit and American autoworkers have made enormous strides in recent years and we also know that the government laboratories born of the Cold War are at the cutting edge of technology in ultra-light materials, senors, electronics, fuels and batteries. Working together, we believe, this new partnership will achieve things that no other nation on Earth can match.

The same principle of public-private partnerships applies to a wide range of defense conversion efforts that this Adminitsration has launched.

President Clinton's technology policy calls for sustaining the current level of Federal investment in Research and Development while shifting major resources from defense to civilian technology projects. By 1998, this shift will increase federally-funded R&D by more than \$8 billion a year. This will not only spawn a new wave of innovation, it will keep intact the extraordinary research community built up during the Cold War.

An even more immediate impact on innovation will come from a program some of you may know about called the Technology Re-investment Project. TRP is awarding \$500 million in grants this year to companies seeking to commercialize civilian or dual-use technologies originally developed for defense.

I sought -- and secured -- a central role for my Department in this effort precisely because there are so many promising applications for defense technologies in transportation. Indeed, six of the first 15 TRP grants announced last month were, in fact, directly related to transportation. Six more have transportation applications.

We are, I believe, in the midst of a revolution in transportation that will transform American life in the next century nearly as much as railroads did in the last century and the automobile and jet plane have done in this century.

I can foresee American companies leading the world in a range of transportation technologies -- not only the first generations of clean cars, but in super-sophisticated air traffic controls, high-tech safety devices, intelligent vehicle highway systems, high-speed rail -- even bridges made from composite materials like those used in the Stealth bomber.

This Administration is determined not to make the mistake made so often in the past -- allowing the products of American scientific genius to be developed abroad -- for lack of support at home.

We want to see American technologies commercialized right here -- and exported worldwide.

We plan to support whole new American industries as they develop -- and sustain existing ones as they expand -- industries that employ American workers and managers, earning American wages and salaries.

The public-private partnerships we create to do that are in many ways the key to winning the "geo-economic" struggles America now faces.

Providing Americans' Security to Master Change

But if we are to ask the American people to meet global challenges with confidence, then we need to provide all Americans with some basic assurances of personal and family security. The fears and anxieties we all saw surface in the NAFTA debate are real. They need to be addressed if the American people are to cope confidently with dynamic, global change.

In this regard, there is no more pressing work to get on with than health care reform. We must do this not only to stop the too frequent financial tragedies the current system inflicts -- but to curb the chronic financial drag on families, companies, and the government of runaway health costs.

How can we ask American companies to meet global competition when their health care costs are rising so much faster than those of major competitors in Europe and Asia? How can we honestly ask American working people and managers to embrace the challenges of the global marketplace when they are legitimately afraid of losing health benefits whenever they change jobs?

It is up to us, in this generation, to ensure health care for all, health care that can never be taken away -- and at a cost that America can afford.

Over the coming months, America will see an intense and vitally important debate over health care reform. There will be powerful arguments over every detail as reform is shaped.

But let there be no mistake about this -- the most expensive, the most dangerous, the most unacceptable option would be to continue with the status quo.

Those with vested interests in the health care status quo have already tried to raise doubts that real reform is possible. They have focussed on the fear that some Americans may have to pay more in the early years of health care reform.

Again, let there be no mistake. If we carry on with our current health care system, all Americans will pay more, American companies will be hobbled in global competition, and the nation's budget deficit will once again begin to soar out of control.

Our health care system is broken. The time has come for Democrats and Republicans to work together -- as we did on NAFTA -- to fix it.

But while health care reform is the single most pressing "security" concern for Americans, this Administration also aims to invest in Americans' basic education, to provide school-to-work apprenticeship programs, to increase access to college and to provide lifetime learning for Americans.

We will, early next year, introduce reforms that will transform our

current unemployment system into a genuine "re-employment system" through which Americans will be able to upgrade their skills and get better jobs when they return to work.

We face a world economy in which what you learn determines what you earn. If we are to ask our people to compete, we must also provide them the tools with which to win. Because we are not asking Americans to compete with less-developed nations for low-wage jobs -- we want our people to be able to compete with Japan and Germany for the high-wage, high-tech jobs of the next century.

Summary:

These basic elements -- budget discipline, incentives for investment, open markets, exports, public-private partnerships in technology, and basic health and job-training security for all Americans -- are the core of the new economic strategy that President Clinton is creating.

Each element is worthwhile in itself. But together, they form a sum that is much greater than the parts.

They form, in fact, the first comprehensive national economic strategy for America in the post Cold War era -- and it's about time we had one. One of the reasons for the crisis of confidence so many Americans feel is precisely the fact that we have been drifting with no clear strategy for too many years.

If we can develop the political will and belief in ourselves to follow the President's strategy through -- then we Americans are truly going to take control of our destiny and lead the world into a prosperous 21st Century.

Of course there are always doubters.

There were many doubters over the past decade in Denver.

There were many voices saying that we couldn't afford to invest in Denver's future.

As all of you here know, the truth was we couldn't afford not to.

So to those who don't believe that a community or a nation can face up to its problems and pull together -- I say, Let them come to Denver.

To those who say Americans can't find the will to sacrifice now and invest in our future, I say, Let them come to Denver.

Because what we've done here in Denver has been to believe in ourselves, to form alliances between business and government, roll up our sleeves and turn our dreams into realities.

I ran for Mayor here on the theme, "Imagine a Great City."

Today, we don't have to imagine, we just have to open our eyes.

Ladies and Gentlemen, let me suggest to you that what President Clinton is asking us to do is, "Imagine a Great Country"

Thank you all very much.

#####

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
DEDICATION CEREMONY DENVER INTERNATIONAL AIRPORT
JEPPESEN TERMINAL, DIA
DENVER, COLORADO
NOVEMBER 19, 1993

Governor Romer, Mayor Webb, ladies and gentlemen, my many good friends -- It really is impossible for me to exaggerate how happy -- and how proud -- I am to be with you here, today.

And as we dedicate this crown jewel of America's airports, we can see with our own eyes that the plans and sweat and struggle of the past ten years have all been worth it.

We have built here a magnificent facility -- the envy of the nation and the whole world -- a state-of-the-art marvel that will define the cutting edge of airport technology well into the next millenium.

We can all be proud of the vision and character -- and the fighting spirit -- of everyone who worked and struggled to make this project happen.

More than a decade ago, the people of Denver and Colorado saw the future; today we claim that future as our own.

Because this airport won't just be handling take-offs and landings, it will be the engine powering an economic take-off for the whole Rocky Mountain region -- and it will bring benefits for the whole United States.

All over this country airports are finding it increasingly more difficult to expand capacity or add runways -- either because of lack of space, high land costs or residents' opposition. These constraints make Denver International critical to the whole nation's air traffic system.

With its safe, all-weather capacity, Denver International will provide a haven for airliners, and reduce system-wide delays by 4-5% -- saving airlines hundreds of millions of dollars a year and sparing travellers lengthy delays at airports as far away as Atlanta, Chicago and Los Angeles.

While the whole nation benefits, Denver and the Rocky Mountain region gains most of all.

Our new airport is perfectly positioned mid-way between Canada and Mexico -- in the heart of the new North American Free Trade zone -- the most powerful trading bloc in human history, with 370 million consumers and total output of nearly \$7 trillion.

And because Denver International is also halfway between Europe and Asia, halfway between New York and Los Angeles -- we are ideally placed to become one of the great hubs of the \$3.5 trillion world travel and tourism industry.

Travel and tourism employs 127 million workers -- one of every fifteen jobs on earth -- and generates \$422 billion in new capital investments every year. Denver International will capture an ever-growing share of this worldwide boom.

Because we shared the vision of this airport -- and because we made it happen -- Colorado and the Rocky Mountain region will see millions of visitors who might never have come, economic opportunities that might never have existed, thousands and thousands of jobs that might never have been created -- and better access for all of us to the emerging global economy.

Denver and Colorado can enjoy these benefits without subjecting our people to intolerable jet aircraft noise and without sacrificing the quality of life and natural beauty that make this state such a magnificent place.

That's why we began fighting to build this airport more than a decade ago. Today, I'm more convinced than ever that we were right.

One reason I'm so convinced is that as my new job takes me around our country and the world, it gives me a much wider view of what we've accomplished here in Denver.

Everywhere I go -- from Brussels to Riyadh -- everytime I meet with aviation experts and airline executives and foreign transportation ministers -- they all ask me the same questions: How is Denver International coming along? What's it like? How did the city build it for so little?

That's right. The rest of the world sees \$3.1 billion for this airport as the bargain that it is.

Japan's Kansai airport in Osaka is costing more than four times as much -- \$14 billion for just a single runway.

The new airport in Munich, Germany is costing more than \$7 billion for two runways.

Hong Kong's new airport will run upwards of \$16 billion -- again, for just two runways.

All of these cities are right to go ahead with these projects. Their leaders realize the tremendous gains that new airports can bring.

But not one of these new, far more expensive airports around the world will have even half of the capacity to grow and adapt that Denver International has.

We didn't build Denver International just to solve the congestion problems of yesterday -- or even to handle the traffic of today, we designed it to meet the needs of tomorrow and many, many tomorrows after that.

The five runways now completed can handle 99 jet landings an hour -- and the sixth runway will come on line in 1995.

As passenger demand rises from 34 million in the first year alone to well over 50 million a decade from now, we will be able to bring new runways on line.

We could, if need be, expand Denver International to accommodate 110 million passengers by the year 2020.

No wonder that the whole world views what we've done with awe.

My friends, if we could light up all of the thousands of airports in the world -- then view them from a satellite in space -- there would be one airport that shines more brightly than all the rest.

And that's the airport we've come to dedicate today.

So as we celebrate all that we've done together -- I want you all to know that we're not celebrating alone -- because the whole world is watching.

Everyone in Denver can be proud of that.

My thanks to all of those who had a hand in planning, designing, financing, building -- and, most of all, fighting for -- this airport.

Literally thousands of people in this community pulled together to make Denver the leader in world aviation.

It is the people of Denver and Adams county who canvassed for votes door-to-door, who attended community meetings and public hearings, who passed through all the highs and lows of the past decade. Their support, their votes and their labor is what made this airport a reality.

I also want to congratulate the men and women who've worked night and day over the past four years -- and who sweated and sacrificed every day -- to raise this fantastic structure. This is a place to bring your grandchildren to and say -- "When we built this, I was here...."

We should never forget the remarkable contribution that your labor has made, nor should we forget those who lost their lives in the course of this great project.

Because the truth is that this airport is something more than just cement and steel and a beautiful palace of light.

It is living testimony to something that America has always known how to do -- something that maybe we haven't done enough of lately: and that's the ability to dream big dreams -- then roll up our sleeves and make them happen.

Denver International was once that kind of dream.

Because we believed in ourselves, that dream has come true.

Thank you all very much.

#####

Third draft -- with Peña/Gougeon comments -- Noon 16 Nov.

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
EVENING GALA, DENVER INTERNATIONAL AIRPORT
JEPPESEN TERMINAL, DIA
DENVER, COLORADO
NOVEMBER 19, 1993

Governor Romer, Mayor Webb, Chairman Wolf, ladies and gentlemen, my many good friends -- fellow believers in the future of Denver -- I can't tell you how delighted I am to be here with you to celebrate our spectacular new airport.

It's a beautiful night for a party -- and I can't imagine any party -- ever -- that I've looked forward to more.....

-- or any better way to pay a visit back home

-- or any group of people that I'd rather be with.

I was almost late, though, because we took a wrong turn on the way out here.

When we stopped to ask a policeman for directions he took a look at me and said, "Don't I know you? Didn't you used to live around here?"

Then he told me all I had to do was "follow Peña Boulevard, sir."

I said: "Easy name to remember. I had a grandfather by that name."

It was easy to get lost, because I guess I was thinking about another trip here back in September, 1989.

Those of us who were here that day for the groundbreaking ceremony -- and I know there are a lot of you here, tonight -- know just how much things have changed.

I remember driving out, past the old city limits of Denver, on into the dry wheat lands and wondering how many people would turn up.

We expected a couple of hundred, but when we turned onto 88th Avenue, there were cars and trucks and jeeps and flat-beds as far as the eye could see.

There must have been four or five thousand people -- in the middle of a workday -- and I felt great.

Because I knew right then that what we started that day was just part of something much bigger than even this great airport.

What we were about was a community of people pulling together -- taking our courage in our hands -- to build a better future for Denver and Colorado and even for our whole country.

The people who came out here to watch us break ground knew that this airport was a symbol of hope -- and strength -- the same hope and strength that raised our cities and built our highways, the hope and strength that settled the prairies and built the transcontinental railways - the hope and strength that settled the West

And hope was in short supply in Denver when we started fighting for this airport ten years ago.

Everyone here remembers that in the middle-1980's, Denver hit some very tough times.

There were even some people who believed that Denver's best days were behind us.

Today, I don't think you can find a better example -- anywhere -- of a community that did more, amid such hard times, to take back control of its own destiny -- and its future -- the way Denver has.

When you look at all the work that's been done here -- on roads and bridges, the Convention Center, the new library that's under construction, the Rockies' stadium, and most of all this great airport -- I think you see that Denver is the ultimate example of a community and its people believing in themselves and investing in their own future.

I'm very proud of the role I played, especially in fighting for this airport.

But no one person could have accomplished what we have done here.

All of you here recall the late nights at public hearings; the day-and-night negotiations; the early morning briefings with community groups; the long days of campaigning for Denver and Adams County votes; the testimony before Congress; the investor briefings across the country; the round-the-clock construction -- in all types of weather.

It's just not possible to thank the tens of thousands who contributed over the past decade to making this airport happen.

So please let the few specific "Thank Yous" I have to offer stand as tribute to all of you who have given so much.

Tonight, I want to say "Thank You" Governor Romer.

Thank You to Tim Wirth and Pat Schroeder and David Skaggs, Senators Hank Brown and Ben Campbell. Thank you to Dan Schaeffer and the whole Colorado Congressional delegation.

Thank you to Admiral James Busey, Lynn Helms and Langhorne Bond of the FAA, and to Adams County commissioners Harold Kite, Steve Kramer and Leo

Younger and to the many mayors and council members throughout the area who supported this effort.

Thank you -- and congratulations -- to Mayor Webb for keeping this project on track -- and to Tom Gougeon in the mayor's office, and to former Denver attorney Patty Wells and to all the Denver city council members who believed in this.

Thanks also to George Doughty, Bill Smith and Ginger Evans. It's a shame that Bill Smith couldn't be with us to see this day, but Bill's legacy is all around us.

Thanks also to Senator Lautenberg, who's backed us through the years and to former Congressman Bill Lehman.

Thanks to Dick Fleming, Bob Albin, John Frew and all of the airport's supporters in the business community.

My thanks also to Jennifer Sussman, Allan Chaney and to Goldman Sachs and Peat, Marwick for all of their sage advice in securing that most needed ingredient in any airport project -- money.

And while I'm on that subject of money, my thanks as well to former Secretary of Transportation Sam Skinner, who believed in this airport as much as we did -- because he knew that this wasn't just a local project -- but an airport with a national and international role.

Denver International isn't a Democratic project or a Republican project -- it's an American project. And Sam Skinner's support was in the proudest tradition of the office I now hold. Thank you, Sam.

And thanks to all the people of Denver and of Adams county who stood up to be counted -- and to vote -- for this project.

Finally, and maybe most of all, I want to thank and congratulate the men and women who've worked night and day over the past five years -- and laid their lives on the line -- to raise this fantastic structure. This is a place you can bring your grandchildren to and say -- "When we built this, I was here...."

Four years ago, before these craftsmen and women set to work, when this airport was still just blue-prints and a few ceremonial shovels of earth, I remember looking across the prairie to the skyline of downtown Denver and the magnificent peaks of the Front Range.

And I remember wondering how the first pioneers in this land must have felt building their homes -- and their dreams.

When you think about it, what we're celebrating here tonight is a modern version of their spirit. Because this is more than just an airport.

It's new testimony to something that America has always known how to do -- but something that we haven't done enough of lately: that's the ability to dream big dreams -- then roll up our sleeves and make them happen.

Denver International was once that kind of dream.

But because you believed -- because all of you rolled up your sleeves -- that dream has come true.

Thank you all very much.

#####



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

For Release:
November 19, 1993

Contact: Jennifer Watson
202-366-4570
Ed O'Hara
202-366-5571

TRANSPORTATION SECRETARY AUTHORIZES MORE FLIGHTS; ASKS FOR BETTER CONSUMER TRAVEL INFORMATION DURING AIRLINE STRIKE

Contingency Planning for Thanksgiving Travel Season Underway

On the second day of a labor action against American Airlines by its flight attendants, U.S. Transportation Secretary Federico Peña today called on the airline to provide more and better information to travellers about its scheduled flights and also authorized additional flights by other carriers from airports most disrupted by the strike.

"We as a Department are continuing to make passenger safety our top priority, but a close second is doing everything we can to work with American and other carriers to minimize inconvenience to consumers," Peña said.

"We've asked American to take additional steps to get much better information out about the status of their flights, so consumers can more easily make travel plans," he added. "As of today, we're also authorizing additional flights by other carriers at LaGuardia, National and O'Hare to give travellers more options to get where they need to go when they need to get there."

Under the decision, other carriers at these airports will be able to add flights as needed beyond normal caps to accommodate demand. A number of carriers are expected to add additional flights on an as-needed basis immediately and to add additional scheduled departures during peak Thanksgiving travel periods.

There have been numerous reports that passengers have received insufficient and often erroneous information about the status of their American flights and their travel options. Peña, in a letter to American Airlines President Robert Crandall, acknowledged the airline's efforts to minimize inconvenience under difficult circumstances, but asked Crandall to "take the necessary steps to provide complete and accurate information to ensure that prospective travellers can make informed decisions."

-more-

While continuing to encourage both parties to resolve their differences, the Secretary also directed DOT staff to contact other carriers to develop plans to minimize disruption during the busy Thanksgiving travel period, should the strike continue that long. Depending on the expected duration and severity of the disruption, the Department may also encourage other transportation providers to beef up their efforts to accommodate air travellers whose flights are cancelled or delayed.

"Thanksgiving is the busiest travel period of the year," the Secretary said. "We understand that people want and need to firm up their travel plans as soon as possible and can't wait until the last minute. That's why we've asked all carriers to work together to do whatever they can to make Thanksgiving travel easier in the event of a continued strike, including making sure travellers have complete, up-to-date information.

"If necessary, we'll ask other transportation providers to pitch in. Our goal is to do whatever we can to make sure people are able to reach friends and family with minimal trouble this Thanksgiving," he added.

The Department, through the FAA, has continued to make passenger safety its top priority. The FAA has significantly stepped up its monitoring of American's operations to ensure that all flight crews flying during the strike are properly trained in safety and other procedures.

EDITOR'S NOTE: Attached are travel tips from DOT's Office of Consumer Affairs which we encourage you to publish as a public service.



U.S. Department of
Transportation

Office of the Secretary
of Transportation

Transportation Facts

Office of Consumer Affairs

Helpful Hints For Consumers In The Event Of An Airline Strike

- If you bought your ticket from a travel agent, see that agent for assistance.
- If you haven't purchased a ticket yet, consult any travel agent.
- If you have purchased a ticket directly from the airline, contact that airline. Visit their airport location or city ticket office, or consult the phone book or directory assistance for a local phone number or a toll-free number.
- Your flight may not have been canceled; check this first.
- If your flight has been canceled and the striking airline offers rerouting on another of its flights under circumstances that are not acceptable (e.g., on a different date, or on a standby basis), ask if they will reroute you on another carrier. (NOTE: They are not required to do this.)
- Ask for your ticket to be re-issued or at least to be "stickered" with the new flight information. Check the "status" box; "OK" means a confirmed reservation, anything else means you are not confirmed. Check this for all of your flights, not just the first one.
- If you bought (or were planning to buy) your ticket using a travel voucher or frequent-flyer award from the striking carrier, ask whether this ticket will be good on your new flight.
- If you cannot obtain assistance from the striking airline or a travel agent, call any other airline serving your route. Ask them for the names of all the carriers flying to your destination. Call those carriers and ask for their policies on accepting the striking carrier's tickets. IMPORTANT: Ask if the striking carrier must "endorse" your original ticket to protect against a fare increase.
- If you must make any additional payments (even if it is only an even exchange, with a refund processed at the same time), pay by credit card if possible. Federal Credit rules provide protection for credit card transactions that are disputed within 60 days of the date of the monthly statement is mailed.
- Check in early for your new flights.

**SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MADD PRESS CONFERENCE ON STATE REPORT CARDS
NOVEMBER 23, 1993
WASHINGTON, D.C.**

I want to thank Becky Brown (newly elected President of MADD) for that kind introduction.

As we begin the heaviest traveled holiday of the year, let's step back in history for a moment to reflect on the first Thanksgiving, when the Pilgrims feasted to give thanks after the trials of a hostile ocean and a harsh new world.

Their journey was not easy. The new world was a challenge. Many died. And when the time came for feasting, what the Pilgrims really celebrated was survival itself.

At this Thanksgiving, we also have so many reasons -- thousands and thousands of reasons -- to be thankful to members of Mothers Against Drunk Drivers. Because through your efforts many thousands of Americans are alive today who would have lost their lives without you.

It was the members of MADD who ignited a revolution in stopping drunk drivers and refused to let it die out. Thank you.

And let us also thank the local judges and law enforcement officials who are determined to rid our nation's streets and highways of senseless killers. Let us

give thanks for the collective resolve of hundreds of other groups like MADD who have taken the message to the halls of Congress and to the statehouses and to the grassroots of America.

And let us thank and recognize the states we honor today for taking the responsibility to create anti drunk driving programs -- programs that have worked and must work better.

All of you who labor today for highway safety would make the Pilgrims proud.

You may not realize it, but you also are all participants in President Clinton's plan to bring health security to all Americans. You who work on the front lines of the anti-drunk driving movement know better than anyone how critical the link is between highway safety and America's health cost crisis.

The President's plan has six basic principles:

First, security and guaranteed benefits. That means that no insurance company can take away your coverage if you lose your job or change your job -- or if you or a family member becomes sick.

Second, savings -- controlling the spiral of health costs by limiting insurance companies' ability to raise your premiums; introducing competition so small businesses can get the same insurance rates as large ones; squeezing out

waste in Medicare and Medicaid and cracking down on the fraud that now takes a dime on every dollar we spend on health care.

Third, quality -- making the world's best medical care better by emphasizing preventive and prenatal care, reforming malpractice laws to discourage frivolous suits and increasing research on preventive medicine and on the effectiveness of therapies.

Fourth, choice -- saving what's best about our system by retaining your choice of doctor and increasing your choice of health plans. This will put health care consumers in the driver's seat.

Fifth, simplicity -- cutting the red tape and complex paperwork that consumes so many medical dollars.

And the sixth principle which we are all working on today -- is responsibility.

You all know that good health isn't something that the government can give us from on high. It's something every American needs to seek for themselves and their families and friends. And the first step is making sure that we never -- ever -- drive drunk. Or never let a friend drive drunk.

This simple step alone can save thousands of precious lives and millions of scarce tax dollars.

It may be the quickest and easiest ways we have to act now -- even while Congress debates the President's plan.

Every year -- every single year -- motor vehicle crashes cost this country \$14 billion in health care costs. Last year alcohol was involved in fully 45% of those crashes.

Every day 17,500 crashes happen in our country and 107 people die. Many of these tragedies could be avoided if more people took responsibility for their own behavior -- and most of all, drove sober.

Our country pays dearly for peoples' failure to act responsibly -- in the suffering of families' and in cold cash.

Just a few weeks ago, I saw a demonstration of a typical crash. In it, an unbelted, drunken driver rammed into a car driven by a mother who is wearing her seat belt and has buckled her child into a safety seat properly.

The drunken driver not only caused the crash and injured innocent people, but suffered terribly himself -- running up medical, legal, and damage costs that total more than \$650,000.

His victims, mother and child, were injured as well -- but far less severely. Because the mother acted responsibly -- and buckled their safety belts -- their total costs were limited to just under \$13,000.

The total economic costs to our society of crashes like this typical one come to \$665,000 each -- with taxpayers forced to pick up \$110,000 of that tab in the form of medicare, medicaid, lost taxes and added public assistance costs.

We are absolutely determined to see these costs come down -- through tougher drunk driving laws and rigorous enforcement.

Our goal of reducing alcohol-related fatalities from 45% to 43% of the total would save 1,200 lives a year and save the nation \$2.2 billion, of which \$282 million is in health care costs alone.

We will pursue these goals with the full force of the law. Too many American lives are at stake, too much human and financial loss is at risk, for us to do any less.

Every serious injury we prevent will save America \$35,000 in health care costs alone.

So just as I hope all Americans support President Clinton's Health Security Plan, I also ask that you take personal responsibility and promote safety.

By driving sober -- and encouraging all those we care about to do the same -- every American can help save lives and solve our health care crisis at the same time.

We can begin by looking at MADD's "rating of the states" report card. It reflects the great gains that have been made in addressing this very serious public health and safety problem. It honors states that have succeeded in molding successful drunk driving campaigns; and it challenges states that have a ways to go.

I know I have the support of every highway safety advocate in America and every responsible citizen when I say this: as far as we have come, so long as there are still thousands of deaths caused drunk drivers we cannot rest. Our job is not finished. Let us resolve this Thanksgiving to continue the fight until we rid our highways of every last drunk driver.

As we celebrate Thanksgiving and all the freedom, family and fun that makes our nation great, remember these words: "if you drink, don't drive."

###

TALKING POINTS
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL NATIVE AMERICAN HERITAGE MONTH
U.S. DOT, WASHINGTON D.C.
NOVEMBER 30, 1993

*** Thank Tony Califa for introduction and all the organizers for creating DOT's first Native American Heritage Month.....**

*** It's about time, and I hope it will be the first of many.....**

*** "Yahte Hay" (hello in Navaho)..... We have come today to acknowledge and celebrate the great contributions that Native Americans have made to our nation -- beginning long before Columbus "discovered" America.....**

*** Native Americans knowledge of crops and medicines and wilderness survival skills saved the lives of many early European settlers.....**

*** Native American art remains a rich part of our heritage, and Native American place names are branded on this land from coast-to-coast.... from Massachusetts to Mississippi to California.....**

*** Let us never forget the tragedies and betrayals that Native Americans have endured. And let us stand with them today as they fight for their rights and for the respect due them.....**

* They are not alone in that fight. President Clinton has called for a government that "looks like America", a government committed to diversity and opportunity for all Americans....

* This Department is committed to that vision. We are determined that DOT must do much better in hiring, promoting and contracting with Native Americans..... whether that means more recruitment work on Indian reservations or at tribal community colleges or better outreach to Native American contractors, or simply greater concern for Native Americans' unmet transportation needs....

* I have always believed that we can best serve the American people only by tapping the talents and dedication of all of our peoples -- and I believe that Native Americans should have every opportunity to contribute.

* This was certainly my experience in Denver..... We worked closely with the Denver Indian Center to consolidate job training, mental health, child care and other services for Denver's Native American Community.

* It was a proud moment for me as well to help preserve Native American ritual grounds in the mountains outside the city and to safeguard an Indian burial site on the grounds of our new airport...

*** And I was proud last November when Coloradans elected the first Native American ever to serve in the United States Senate, Ben Nighthorse Campbell.....**

*** So I know the talent and the courage and the concern for the living earth that Native Americans have to share with us and teach us. And I am determined to see that we open doors for these contributions at DOT.**

*** So as we celebrate and acknowledge Native Americans today -- let us vow that we will follow through with action, not words, tomorrow and in the years to come.**

*** Thank you all very much.....**

#####