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U.S. Department of Transportation

News:

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

For Immediate Release:
Monday, May 2, 1994

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MEDIA ADVISORY

Vice President Al Gore, Transportation Secretary Federico Peña, and Federal Aviation Administrator David Hinson will tour the Washington National Airport air traffic control tower and meet with air traffic controllers on Tuesday, May 3. The tour will begin at 3:00 p.m.

The tour will highlight the Clinton Administration's proposal to corporatize the nation's air traffic control system. A federal corporation would provide the necessary flexibility to replace outdated equipment and facilities, while maintaining a strong safety record.

Public Schedule for Tuesday, May 3, 1994:

3:00 p.m. — Gore/Pena Tour of Air Traffic Control Tower
Washington National Airport

(Tight Pool)

3:30 p.m. — Press Conference
Balcony Main Terminal
Stair Case near United Airline Ticket Desk
Washington National Airport

NOTE: Media should arrive at 3:00 p.m.

(Open Press)

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DRAFT 5-3-94
REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
TRAVELERS AID SOCIETY OF WASHINGTON, D.C., INC.
WASHINGTON, D.C.
MAY 4, 1994

(You are asked to speak 5-10 minutes on safety in a dinner-dance environment)

INTRODUCTION

I want to thank J. Michael Scweder for that very generous introduction and I also want to thank all of you for this award.

I want you to know that the Travelers Aid Society's National Leadership and Service Award will always be one of my most important honors because of the tremendous respect I have for your organization.

Actually it is I who should be honoring you for being the "good Samaritans" to travelers and new comers in Washington, D.C., for 92 years and for coming to the aid of travelers nationwide for nearly a century and a half.

Travelers Aid is most visible to us at Union Station, Washington National and Dulles International airports. And I've never met anyone who didn't have a good thought about the work you do for people who come to you for help at these gateways to our Capitol.

Whether it's helping an elderly traveler who has lost crucial medication or helping a wandering child find a

parent, you are always there to respond with whatever is needed.

In addition, your more complex casework involving resettlement assistance to refugees, services to the homeless, to immigrants and to migrant workers is remarkable.

The work of Travelers Aid is very much in the American grain. In no other land do good works rest on as broad a base as in America. At our best, we are still what we were from the beginning -- a nation of neighbors helping neighbors. Much of our history is marked by the spirit of people who came together to raise a neighbor's barn, or put out a fire, or help those stricken by natural disaster.

I've seen this spirit myself during the floods that struck the Midwest last summer and the earthquake in California this winter.

This American tradition of volunteerism, knits us together in ways that government alone could never do. Indeed, I would argue, it is this giving of ourselves -- to the Red Cross, the Salvation Army, the PTA, the Boy Scouts and a thousand other groups -- that most powerfully sustains a sense of community and family among Americans.

Certainly the Travelers Aid Society of Washington plays a vital role in this national family.

TOPIC OF SPEECH

Tonight I want to take a few moments to enlist your support in one more critical service to travelers -- because I need your help in promoting transportation safety. Are you aware that personal injury from transportation accidents -- specifically motor vehicle crashes -- is the number one killer among international travelers?

PROUD OF U.S. SAFETY RECORD

That's not to say that we in America do not have the safest transportation system in the world. We do! Our safety record is second to none.

I'm proud of our safety record across all modes of transportation. We haven't had a passenger fatality on a major airline in over two years. Boating fatalities are at a new all-time low.

Despite the AMTRAK derailment at Saraland, Alabama, last year killing 47 people including 42 vacation travelers, we still had the second safest year in railroad history in 1993. So while the Saraland tragedy gained a great deal of attention, it did not reflect the rail industry's diligence to safety.

And the highway traffic fatality rate was the lowest ever in 1993. The 39,850 deaths on our highways last year compares to the 50,000 Americans who died in highway

crashes in 1966 when we as a nation finally began to take the business of highway safety seriously.

The fatality rate on America's streets and highways is now one of the lowest in the world -- well below Germany, more than one third less than Japan, nearly twice as safe as France.

We can be proud of saving so many lives. But we are still losing far too many. Clearly, we need to do much more to bring down the death toll on our highways.

CLINTON ADMINISTRATION'S APPROACH

President Clinton's approach to highway safety is identical to his approach to health care. It is based on prevention and responsibility. Prevention is better than any cure. No amount of after the fact compensation can truly meet the human costs of an avoidable death, a child maimed for life, or a parent who has lost a year's work recuperating from an auto crash.

And transportation injuries cost the health care system even more than fatalities do -- because they necessitate long hospital stays, higher cost of care, often long-term disabilities and heavy public assistance burdens. And for each death by transportation injury, 14 persons are hospitalized and 136 more are injured.

Certainly, we have a great deal to gain in terms of lives saved, suffering avoided and sheer dollars saved in

the health care system -- by pressing forward on highway safety.

Prevention involves partnership. Within DOT, we are working intermodally on safety just as we do on other projects. A new working group consisting of the associate administrators for safety for Highways, Railroads, Transit and the National Highway Traffic Safety Administration has been meeting regularly to develop innovative solutions to safety problems that arise across the modes, but more importantly, to work to prevent problems from taking place.

Highway-rail grade crossings provide an example of such a problem. Last year, more than 1,100 people died at highway-rail crossings or while trespassing on rail right-of-way. In response, the intermodal working group is preparing an action plan, which we will soon announce.

Besides working across modes, we need to work closely and directly with the public.

Last year, for example, we set our goals of achieving by the year 1997 -- first, to reduce alcohol related fatalities to 43 percent of all highway fatalities; and second, to raise safety belt use to 75 percent. We have made so much progress toward both of those goals that I expect we will have to set new and tougher targets.

We set tough, new targets when we announced this year new drug and alcohol rules covering 7.4 million

transportation workers in safety sensitive positions to reduce alcohol and drug-related accidents.

This push towards safety must go on. That's where you in Travelers Aid come in. We need you to join the safety campaign to keep the momentum going and get the last drunk drivers off our highways and get people to use the seat belts and other safety equipment right there in their automobiles.

I ask you to work safety into your Travelers Aid Society program at every opportunity.

By becoming a strong voice for safety, you can make a positive difference not simply in the statistics but in reducing the pain and suffering that accidents cause travelers and their families.

Again, thank you for the award. Have a good night!

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3-16

REMARK ON AIR TRAFFIC CONTROL REFORM
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL AIRPORT
WASHINGTON, D.C.
MAY 4, 1994

Thank you for that introduction.

Today, we've come to talk about this Administration's proposal to dramatically reform America's air traffic control system.

Our proposal -- for the creation of a new federal Air Traffic Services Corporation -- is very good news for all Americans with a stake in air travel.

This proposal is good news for the travelling public, it's good news for the airlines and it is especially good news for the air traffic controllers and technicians who keep this system running -- almost in spite of itself.

The new Air Traffic Services Corporation will save tourists and business travelers billions of hours in delays and inconvenience; it will substantially reduce airlines' losses due to delay costs and fuel waste; and it will finally give our air traffic controllers the modern equipment they need to run a 21st Century air traffic control system with the greatest degree of safety possible.

The need for reform is crystal clear to those most in a position to know -- the men and women who actually run our current air traffic control systems.

In recent months, I've visited control towers from Seattle to Tampa, and I've become more convinced than ever that the only reason that our air traffic control system works is because the dedicated people who work in the system just won't let it fail.

It is the determination of thousands of air traffic controllers that keep this system running -- against the odds, through bureaucratic nonsense and in the face of ridiculously complex rules and jungles of red tape.

Let me tell you just some of the horrors I've seen in my visits to air traffic control towers around the country.

At National Airport in Washington I saw my first Univac. It was the size of a truck -- with less computing power than a lap-top.

I thought Univacs went out with Dr. Strangelove.

Not at the FAA they didn't. I saw my second Univac in St. Louis -- a new one actually -- a machine specially-made to match a piece of 35-year-old technology they had on site already.

In Tampa, I met technicians who pass along their knowledge of how to repair obsolete equipment because the manufacturers who made it no longer exist.

In Atlanta, I saw technicians working with dog-eared 1957 repair manuals.

All over the country, I've had air traffic controllers point out to me that they're working with equipment older than they are, or tell me that it's a big triumph if they can manage to buy a new computer in just a year and a half.

In Los Angeles, I saw ground radar systems that rely on vacuum tubes so old they're not even made in America anymore.

[Shows vacuum tube]

In Seattle, I saw some more vintage equipment -- a mainframe the size of three washing machines stacked on top of each other. It probably has less memory than a single Pentium chip has today.

[Shows chip]

Now it takes 3 and a half million of these tubes to equal the circuitry on just one of these chips. Three and a half million to one!

And that's what the case for reform boils down to.

There's no getting around it. Our air traffic control system is severely strained as it is. It is clearly incapable of adapting to fast-changing technology or keeping pace with growing air travel demand.

Those who work in air traffic control deserve better. So does the American aviation industry, the travelling public and the whole American economy.

THE GOALS OF REFORM

We need fundamental reform, not tinkering -- now.

We need to create a modernized ATC system that can service a projected 60% increase in air travel over the next decade.

We need to get rid of the 11-foot stack of procurement rules that has kept our ATC technology years behind the times.

We need flexible personnel rules so that we can pay air traffic control employees what they deserve and be able to place them where they are needed most.

We need reliable funding sources, free of annual budget roulette, to pay for ATC services and to make long-term investments in the system.

We need to change the whole culture of the ATC system to permit flexibility, ingenuity and efficiency to come to the fore.

And we need to ensure that safety remains our Number 1 priority as we make these changes.

THESE GOALS REQUIRE A NEW AIR TRAFFIC SERVICES CORPORATION

To meet these goals, we propose the creation of a new government corporation, embracing all of the ATC services now provided by the FAA.

This new corporation will be government-owned and not-for profit. But it will be as free as possible to run like a business -- buying state-of-the-art technology, deploying its employees where needed and rewarding them appropriately.

The new federal Air Traffic Services Corporation we propose will have a Chief Executive Officer with full powers and accountability to run the system -- and it will have a Board of Directors on which air traffic employees, airlines, general aviation, will be directly represented and have a voice.

The new corporation will be self-supporting -- not dependent on annual federal budgetary appropriations. It will, instead, be financed by those who use air traffic control services.

This firm, predictable funding base will enable the corporation to "leverage" its income by raising funds on the capital markets to finance long-term investments and new technology.

Over time, this financial flexibility will actually save money by enabling the corporation to enjoy economies of scale and speed of acquisition -- rather than the piecemeal, stop-and-start investment patterns that now prevail.

The refocused FAA will, of course, retain authority for safety oversight of the new Corporation -- just as it does over private airliners and aircraft manufacturers.

There will be no bottom-line incentive to cut corners on safety.

To the contrary, because it will be freed from today's ludicrous procurement rules, the new Air Services Corporation will improve safety by rapidly introducing the latest technology and by improving working conditions to enable air traffic controllers to do their jobs better.

Let me underscore this point once more: neither President Clinton, Vice President Gore, this Secretary of Transportation nor any member of this Administration would propose any reform that would hazard aviation safety.

CONCLUSION:

What we are proposing is something that the Vice President has been a leader on: reinventing government -- making it work better and cost less.

And when you think about it, working better and costing less is also what technological progress is all about.

This pentium chip, for example, is just a few months old. But it is far more reliable, millions of times more powerful, and vastly cheaper than this vacuum tube -- a technology that dates back to 1905 -- just a few years after the Wright brothers flew the first airplane at Kitty Hawk.

Aviation has passed through a world of change since Kitty Hawk -- and the pace of change is picking up.

It's past time that we find ways for government to lead and benefit from this great explosion of ideas and technique -- not fall behind it or, worse yet, get in the way.

So as we ask Vice President Gore to help us launch this effort for a new Air Traffic Control Corporation today, I want him to have this vacuum tube as a souvenir.

I know you'll want to keep it in a very special place, Mr. Vice President -- right up there with your ash trays.

But please don't hit it with your hammer, because when we get our new corporation in place, this tube is going to be a real collector's item -- as it should be -- not a functioning part of an air travel system that moves 500 million people a day.

I am pleased now to ask the Vice President Gore, the man who is making this government work better and cost less every day, say a few words on this proposal.

Mr. Vice President.....

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3/17

FINAL

REMARKS PREPARED FOR DELIVERY

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

ALCOHOL AND DRUG RULES IMPLEMENTATION CONFERENCE

ROCKVILLE, MARYLAND
MAY 4, 1994

(Introduction to be made by Dr. Donna Smith, Acting Director, USDOT Drug Enforcement and Program Compliance)

Thank you, Dr. Smith, for that introduction. I'm happy to be here to help launch this morning's program and to reaffirm our commitment to safety in the transportation industry.

Responsibility for the safety of the traveling public is the most important obligation for all of us in the transportation community and my highest priority as Secretary.

We've made great strides in recent years: our automobile accident fatality rate is the lowest in our history, and we haven't had a fatal major airline crash in more than two years.

But as we take pride in this progress, we also must draw from it the determination to do even better.

And we *need* to do better. About 40,000 Americans still die each year in traffic accidents. Hundreds more are killed in general aviation crashes, in accidents on trains and buses, and aboard commercial vessels.

The worst part of this continuing tragedy is that so many of those lives are lost so senselessly. About *90 percent* of all accidents are the result of human error, often of preventable error.

All too often, in fact, those errors are caused by faulty judgment or slowed responses --- the result using drugs or alcohol. *These accidents don't have to happen.*

We need to do more to stop them --- much more --- because their cost to us is enormous. Drunken and drugged behavior robs our nation of countless bright stars, the innocent victims of these senseless crashes.

Future leaders like 16-year-old Princeton freshman Ceres Horn, traveling on the AMTRAK train which crashed in Maryland, killing 16 and injuring 174. Train crew members smoked marijuana right before that accident.

Or Jimmie Robles, an aspiring drug counselor riding a New York subway train which derailed, killing five and injuring 171. The transit operator in that case had a 0.21 blood alcohol level; it's a wonder he was even conscious.

Drunk and drugged drivers snuff out thousands more wonderful American lives each year --- including, in many cases, their own.

Nothing can compensate for the deep pain and heartbreak this all inflicts on the victims and their families. No one who has lost a loved one can ever again think of such irresponsibility without grief and outrage.

But if we can't count the emotional and social costs of this substance abuse, we *can* count the financial costs --- and they are huge.

For example, the lifetime expense of just one year's alcohol-related traffic crashes is a staggering $46 billion. And that's only part of the estimated $238 billion that drug and alcohol abuse costs our society in lost productivity, criminal activity, and additional health care.

That's why we view this not only as a public *safety* effort, but also as a public *health* effort. Transportation safety initiatives are closely linked with our concern for health care reform.

Just as President Clinton seeks to protect Americans through guaranteed, comprehensive coverage, he asks that Americans take greater responsibility for prevention and for maintaining their own health.

By collectively reducing unnecessary health care costs, we can all help to control expenses and free the resources needed to provide health care for *all* Americans.

All of these reasons for improving transportation safety form the basis for the drug and alcohol testing rules which you'll hear about shortly.

These rules were mandated by a Congress outraged by the devastating human toll in the New York subway and AMTRAK crashes I mentioned earlier. We in DOT worked closely with employers, labor groups, and other transportation interests in the drafting of these rules.

Our approach was based on four fundamental tenets.

First and foremost, protecting the safety of the public.

Second, deterring the misuse of alcohol and the use of drugs by transportation industry employees.

Third, addressing the administrative and financial burdens of testing on employers --- in ways consistent with our first two goals.

And finally, respecting the rights and privacy of employees.

We've come up with a series of carefully-targeted measures designed to identify employees in safety-related positions who have used drugs or misused alcohol and get them off the job.

These measures are both tough and far-reaching.

7.4 million employees are covered by testing.

Employees ranging from airline pilots to school bus drivers to the FAA's air traffic controllers are all subject to testing.

These rules set specific procedures for testing safety-sensitive employees, including pre-employment tests, testing after accidents in which drug or alcohol use could have been a factor, random, industry-wide tests, and tests based upon an employers's reasonable suspicion. All testing will be done by trained technicians using certified testing devices or in laboratories that provide accurate results.

These regulations require that each industry educate its employees about the consequences of substance abuse on the job. They require rigorous and thorough testing procedures. They encourage compassionate, but firm, employee rehabilitation and counseling programs.

They levy sanctions on both employees and employers for failure to comply with these rules. And they provide incentives to employers and industries which have clean records. Taken together, these rules are a tough, effective way to punish reckless behavior and reward excellent performance.

Over the coming months, we will continue to work closely with you and other interested parties on the implementation of these rules. In that respect, conferences such as this one are only a first step in implementing a system which protects the traveling public from the dangers of transportation employee substance abuse.

We believe these rules will improve the already-good safety record of our transportation system. They will provide a real and effective deterrent, they take into account the burden on industry, and they protect employees' rights and privacy.

I look forward to continued cooperation with you as these rules are implemented.

The Department of Transportation is, of course, only one of many federal agencies involved in the effort to reclaim our nation from drug and alcohol abuse.

Coordinating the activities of these diverse organizations is the responsibility of the Office of National Drug Control Policy, whose Director, Dr. Lee Brown, has been a crusader for many years against drug use and alcohol abuse. I'm pleased to work with him, and to ask him to say a few words today.

# # # # #

BARBARA

FINAL

3-14

REMARKS PREPARED FOR DELIVERY

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

TRANSPORTATION TRANSFORMATION DAY ADDRESS

WASHINGTON, D.C.
MAY 9, 1994

(For videotaping May 4, 1994)

Good morning. Today we are celebrating the Department of Transportation's first year of working towards the goals set by Vice President Gore's National Performance Review.

The National Performance Review exemplifies the spirit of the Clinton Administration's approach to governing: a new customer service contract with the American people, a guarantee of efficient, effective, and responsive government.

We believe that government needs to act in a wide variety of arenas, from promoting an effective national transportation system to providing educational and job training opportunities to ensuring that we have a health care system which protects all Americans.

But we must always seek the best and most efficient ways to meet these goals --- relying as much as possible on private initiative, citizen activism, and state and local government to achieve the ends we seek.

And when it is appropriate for the federal government to be fully engaged in an activity, we must find the most efficient way of carrying out our responsibilities. That continuing effort to make government work better and cost less is the central focus of the National Performance Review.

When the review's work began twelve months ago, we didn't foresee how enthusiastically the Department of Transportation's employees would respond. Your concern and the wave of suggestions we received have reminded me that we have a tremendously talented and experienced workforce --- men and women committed to excellence.

Yet many DOT employees are legitimately frustrated that they can't always do their jobs as well as they want to, whether because of unnecessary regulations, outdated procedures, or other obstacles. When the opportunity came to participate in this process, you responded with literally thousands of ideas for improving our operations and saving the taxpayers money.

Some of these ideas already are yielding benefits. For example, it's critical for emergency services to know whether trains involved in accidents are carrying hazardous waste. The Federal Railroad Administration recently inaugurated *Operation Respond*, which connects the Houston Port Terminal Railroad's computer system directly to local police and fire departments. It gives them immediate access to information about freight contents, greatly increasing safety.

And the Coast Guard recently streamlined its oil spill violations process. Most violations are relatively small, but still require an extensive hearings process more appropriate for large disasters. A pilot program will allow violators in spills of less than 100 gallons to be ticketed on the spot, with the option of paying a fine or going through a hearing. Coast Guardsmen and women will be out on the water protecting our marine environment and maritime safety instead of sitting through unnecessary hearings.

Ideas such as these formed the core of the detailed report which is being presented today. This report tells where we've been and, more importantly, where we're going. It's a blueprint for moving from red tape to real results. And it couldn't have been done without your active participation.

I'm proud of the way you've responded to this initiative, and you're going to be even more important to the succeeding steps, as we implement the report's recommendations and seek further efficiencies.

I call upon each of you to make the search for better ways of doing things a part of your daily routines. It's only with your lasting dedication and hard work that we'll succeed in our efforts.

During the remainder of today's program you'll hear more success stories and opportunities for improvement in the way we do business. I hope you'll let them inspire you in your own efforts to make *every* day Transportation Transformation Day.

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U.S. Department of Transportation

News:

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

FOR IMMEDIATE RELEASE
May 10, 1994

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Statement of
U.S. Transportation Secretary Federico Peña
on the Interstate 5/Gavin Canyon reopening date

Through innovative contracting, intergovernmental cooperation and the sweat and muscle of hundreds of construction workers, we're setting records bringing quake-damaged highways back on line. And that's good news for the people of L.A.

The I-5 is not only important to commuters, it is the commercial backbone of the state's economy. Agricultural and manufactured products move from the heartland of California to the L.A. area ports and population centers. Imports and goods move from L.A. and the ports to the north.

With the reopenings of the east-west Santa Monica Freeway and the north-south Golden State Freeway, we are close to restoring mobility on all points of the L.A. area compass.

# # # #

TALKING POINTS
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
DANA CRAWFORD AWARD COLORADO PRESERVATION INC.
DENVER, COLORADO
MAY 13, 1994

* I'm very pleased to see so many old friends and to recieve an award named for a pioneer in preservation like Dana Crawford.....

* It's an honor to be recognized for my part in the work that so many people here have advanced -- the work of preserving Denver's heritage, beautifying our city and creating economic opportunity....

* I'm proud that some of Denver's great buildings were made official landmarks during the time I was Mayor -- this fine hotel, the Brown Palace, the Temple Events Center, the Mayan theatre and the Guaranty Bank -- another building saved from the wrecking ball -- and soon to be converted into downtown housing.....

* These efforts have put Denver at the forefront of preservation efforts in Colorado and the nation.....

* I am very impressed by the work of grassroots organizations like Colorado Preservation, Historic Denver, Historic Boulder and the Colorado Historical Society. We have a rich heritage of historic buildings in Colorado and it's up to us to preserve them....

* These buildings, the handiwork of artisans long dead, are irreplaceable objects of beauty and even wonder .... as precious in a human way as redwood trees and mountain streams .... They are ours to cherish and enjoy and pass on .... the very work that you have done so well.

* Again, thank you for honoring me with this award .....

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REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
DENVER METRO CHAMBER OF COMMERCE
LEADERSHIP ROUNDTABLE MEETING
DENVER, COLORADO
MAY 13, 1994

INTRODUCTION

I want to thank Charlie Steinbrueck for that generous introduction and I also want to tell you how happy I am to see so many old friends and familiar faces. Many of you were there more than a decade ago when we saw a better future for Denver and set out to claim it as our own. You can all be proud of the vision and character -- and the fighting spirit -- of everyone who worked and struggled not only to make Denver International Airport happen but all our other community development projects as well.

TOPIC OF SPEECH

This morning I'd like to speak with you about two topics: one is the way the Clinton economic program is working to sustain and strengthen America's economic recovery.

Secondly, I want to share with you my new view of Denver International Airport. I'm more convinced than ever of Denver International's value for our city and the Rocky Mountain region, but as Secretary of Transportation, I also see DIA as critical to relieving congestion in our whole national airspace system.

I'm sure we all agree with Mayor Webb's decision that DIA cannot open until its baggage system is up and running. But I'm convinced that we'll find it worthwhile to realize a dream that many of us in this room have shared for a decade.

FIRST: ECONOMIC PROGRESS UNDER CLINTON

Let me begin, though, by looking at the economic progress that the Clinton Administration is achieving.

Just over a year ago, President Clinton proposed to Congress the budget that frames his strategy for the American economy through his first term in office.

I'm sure you all remember the way that the President's proposal was dissected in the media, intensively debated in Congress -- and then debated some more.

In the end -- the President's budget passed, essentially intact.

And today, we are seeing the results -- and they are very good results indeed.

For the first time in more than a generation -- since Harry Truman was President, in fact -- we will see declining deficits for three years in a row during this presidency.

The 1995 deficit is projected to be the lowest as a percentage of Gross Domestic Product since 1979.[1] It will also be <u>the lowest</u> -- as a percentage of Gross Domestic Product -- <u>of any major nation on earth.</u>

This trend toward lower deficits has helped jump-start the American economy by restoring consumer confidence, stabilizing interest rates, and spurring more rapid job growth *(Job growth in Denver was 4 percent last year, slowed down to about 2 percent this year which is healthy).*

Let's look at some numbers:

In the first 14 months of the Clinton Administration, the U.S. economy has created 2.5 million new jobs, 90 percent of them in the private sector -- twice as many as in the previous four years combined.

We are well on course to "Two million more in '94".

Unemployment is down from 7.7 percent last January to 6.5 percent in March *(and of course Denver's is below the national average at 5.8 percent.)*

Consumer confidence is at the highest levels we've seen so far in the 1990's *(retail sales were up in Denver in January compared with the same month last year.)*

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[1]this is the way it's stated in the President's budget.

Business investment last year grew at the fastest pace in two decades -- and is projected to rise a healthy 8 percent this year.

I am glad to see Denver benefitting from both public and private investment. For example, University Hospital is about ready to begin construction of a new $95 million hospital. The Defense Information Services Agency at Lowry Air Force base has been designated as one of 16 centers for the consolidation of data processing activities for the Department of Defense. And the National Civilian Community Corps has selected Lowry as one of four campuses in the country. [2]

Best of all, our economy is growing on a firm, non-inflationary foundation.

Last year, core inflation -- the consumer price index minus food and energy prices -- showed the lowest annual increase since 1966.

Just this month, the Blue Chip Forecasts -- a consensus of leading economists -- actually raised projections for economic growth in 1994 from 3.6 percent to 3.7 percent -- and forecast a drop in overall inflation from 3 percent to 2.8 percent.

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[2]NCCorps is an 11-month residential community service project for 18-24 year olds. Uses concept of Peace Corps to bring services to the U.S. Denver will serve 14-state region; 250 persons will be housed at Lowry. Program expected to begin this fall.

One reason such confidence is well grounded is because we aren't dealing in smoke and mirrors.

President Clinton has made real spending cuts. We will, for example, shrink the federal work force by a quarter of a million bureaucrats by 1999.

And every single agency and cabinet department has been charged with finding ways to deliver essential services more efficiently and less expensively.

For my Department the most important example of this is the proposal we have introduced to transform this country's air traffic control system from an antiquated, unwieldy bureaucracy -- to a new corporation able to move in a more businesslike way and stay abreast of new technology.

All over the country, air traffic controllers have told me horror stories of ancient equipment, mountains of red tape, eleven foot stacks of regulations...

I'm convinced that the only thing that keeps this system together is that the good people who work in it just won't let it fall apart.

They deserve better, and the new corporation we have proposed will deliver for them -- and for the American people. We will speed the introduction of new, more efficient technology and practices that will save billions

over the years in air travel delays -- and actually enhance the safety of the system.

This is exactly what we mean when we talk about making the government work better and cost less -- but it's also part and parcel of President Clinton's commitment to dramatically improving American transportation.

So is the Denver International Airport. Let me tell you what DIA is going to mean to America.

WHAT DIA MEANS TO U.S.A.

Those of you who have been here since we started already understand what Denver International means to this city and the State of Colorado. [3]In the most immediate sense, it will produce 25,000 jobs and in excess of $3 billion in annual turnover in Colorado's economy.

Longer term, 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.

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[3]Figures from "Measuring the Regional Economic Significance of Airports, September 1992 -- FAA/PP-92-6.

Because we shared the vision of DIA -- 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.

As Secretary of Transportation, however, I've had to take a broader view and ask myself what this means to the rest of the nation.

And as I've done so, I've become an even stronger supporter of our airport. It is the only major new airport to be built in this country in a generation. There are no others on the drawing boards.

For years we've heard talk of a third airport in the Chicago area and half a dozen other places around the country, but we here in Denver are the only community that has actually come to an agreement and persevered until the job was done.

Aside from DIA, this country will not see any new airport, or really sizable new capacity added in this century.

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.

Match that stark reality against the fact that in 1992 total air traffic system delays cost our national economy $8.5 billion. Throughout the system we had over 275,000 delays that year.

At the turn of the century, here's what you will find at four big airports:

One, Atlanta had 66,000 hours of air carrier delays in 1993 and that is expected to increase by 20 percent by the year 2002 at which times operations are projected to be 10 percent above capacity.

Two, Dallas/Fort Worth -- the last new airport built in this country in 1974 before Denver International -- had 123,000 hours of air carrier delays in 1993 and that is expected to increase by 36 percent by the year 2002 at which time without any additional capacity DFW would be 82 percent above capacity. This estimate does not take into account new capacity being added at DFW.

Three, LAX had 52,000 hours of air carrier delays in 1993 and those delays are expected to increase by 58 percent by the year 2002 at which time LAX is expected to be 19 percent above capacity.

O'Hare in Chicatgo had 126,000 hours of air carrier delays in 1993 and those delays are predicted to increase by 16 percent by the year 2002 at which time O'Hare would be 5 percent above capacity.

These constraints are typical nationally -- and they make Denver International critical to the whole nation's air traffic system.

So whether DIA opens tomorrow or next month or some other day is not as important to the rest of the country as the fact that it will soon open. The rest of the country recognizes that DIA will play a major role in reducing congestion in the national Air Traffic System well into the 21st Century.

[4]Some of you may remember that back in 1989-1990, the Mitre Corporation did a study for the FAA on the levels of air traffic that were forecast at that time.

That study predicted that Denver International would reduce system-wide delays by as much as 18 percent under severe weather conditions. Without the new airport, Mitre found, arrival delays at Stapleton could grow up to 45 minutes in severe weather conditions.

Even if airlines don't need as much added capacity as we expected in 1989, we know today that with it's safe, all-weather capacity, Denver International will provide a haven for airliners, and reduce system-wide delays by at least 4-5 percent -- saving airlines many millions of dollars

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[4]Mitre study in '89 predicted 18% systemwide reduction with DIA -- was based on strong airline industry at that time; demand not as heavy now and FAA reduced predictions for 18% to 4-5% based on current demand.

a year and sparing travelers lengthy delays at airports as far away as Atlanta, Chicago and Los Angeles.

This will produce a ripple effect throughout the air traffic system and the national economy. Fewer delays mean passengers will get to their meetings on time, productivity will be improved and people's daily convenience will be enhanced.

We here in Denver saw this a decade ago. That's why we began fighting to build this airport.

Today, one reason I'm more convinced than ever that we were right is that my new job takes me around our country and the world and 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? And, how did the city build it for so little?

That's right -- <u>for so little</u>. The rest of the world sees [5]$3.7 billion for this airport as the bargain that it is.

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[5]$3.1 billion = cost of construction; $3.2 billion = figure in NY Times article not right; $3.7 billion = all costs including delays associated with baggage system.

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.

Don't misunderstand me. All of these cities have been right to go ahead with these projects. Their leaders realize the tremendous economic gains that their new airports can bring.

But they can never achieve what Denver has achieved: 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 millennium. During good weather conditions the new airport will handle 23 percent (99 landing aircraft) more operations per hour than Stapleton could.

In a snowstorm, the landing capacity will nearly triple compared with Stapleton. And, speaking of triples, our airport design provides for three simultaneous landings or takeoffs.

Soon -- very soon, I hope -- we can celebrate all that we've done together. And when that day comes, I want you all to know that we will not be celebrating alone -- because the whole world will be watching and our whole

country will benefit because we here in Denver had the perseverance to make this dream come true.

Everyone in Denver, and especially in this Chamber, can be proud of that.

Thank you very much.

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REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
DENVER GENERAL HOSPITAL HEALTH CARE EVENT
DENVER, COLORADO
MAY 13, 1994

I'm delighted to be back at Denver General Hospital with Tom Moe (manager) and so many old friends -- and to have the opportunity for the first time to tour this magnificent new Trauma Center.

Many of you can remember that when I first became Mayor, the trauma unit needs were so great that we made this Trauma Center one of our 10 major projects. I'm tremendously proud to see the results.

As a matter of fact, I'm proud of Denver General Hospital for several reasons. This hospital is the anchor -- the hub -- the backbone -- of the largest, fully integrated community health care system in the country.

It's also where I had my health care when I was Mayor and where my two daughters -- Nelia and Christina -- were born. So this hospital is very special to me.

You in this hospital are an outstanding example of a safety net hospital. You already provide universal health care and you do it by default -- serving special populations who are the sickest and the poorest. You provide a wide range of services to victims of AIDS, to substance abusers and to people suffering from a number of poverty-related illnesses.

I know this hospital and I understand your concerns. Less than 15 percent of your patients are covered by fee-for-service insurance.

[1]And I was delighted to hear also that through good management and use of the "disproportionate share" payments from Medicaid, you have brought this hospital from a $39 million deficit when I became Mayor to a $30 million surplus.

TOPIC OF SPEECH

I'm proud that your association -- the National Association of Public Hospitals -- was the first health organization to endorse the President's Health Security Plan.

And I would like to spend a few minutes this morning discussing that plan. In that general discussion, I'll also get into some details on how the plan will public hospitals the resources you need to be competitive.

THE HEALTH CARE CRISIS IS REAL

You in this audience are in touch with the realities of health care. But believe it or not, some people in Washington actually say that there's no health care crisis

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[1]When you were Mayor you fought for DGH to get more money from Medicaid because they served a "disproportionate share" of poor,etc. They started getting these payments after you left or about the time you left and it's helped turn the deficit around.

in this country. Everyone of us here in this room knows better than that.

We all know that out-of-control health care costs have been straining government budgets, bankrupting companies, draining families and causing hard-working people to lose their life savings, their homes or even the lives of loved ones because they didn't have insurance and didn't get treatment until too late.

The threat of losing health care coverage -- and being exposed to these sorts of disaster -- is a real threat -- not a fantasy.

Seventeen percent of all American workers -- nearly 40 million people -- have no health insurance at all. And even employees who have good health insurance today, can lose it overnight.

Two million Americans a month lose their health insurance. In the course of this year alone some 58 million Americans will have to go without health insurance at some point.

Eighty-one million Americans have what the insurance contract fine print calls "pre-existing conditions" -- and that means that health insurers can now use their health problems as an excuse to raise rates or deny coverage.

Three out of four insurance policies -- covering 133 million people -- well over half our population -- have lifetime limits. That means that benefits can be cut off precisely when people are older, seriously ill and need coverage most.

We need health care reform now -- and with your support we are going to get it this year.

President Clinton has chosen a plan that is truly American in the sense that it strengthens what's right about our present health care system and fixes what's wrong. It is visionary, but it is also pragmatic: it builds on what we have in place.

Here's how the President's health reform will work.

1) GUARANTEED PRIVATE INSURANCE

It will guarantee every American private health insurance. Comprehensive coverage that can never be taken away -- ever.

Under the President's approach, everyone will get a Health Security card that will guarantee benefits as good as what America's biggest companies offer -- even as good as what members of Congress get.

Your benefits will include <u>prescription drugs and preventive care</u> -- things often not covered today.

Under the President's plan, all Americans will be protected against the devastating cost of serious illness. That means a <u>low deductible</u> and <u>no lifetime benefit limits.</u>

2) CHOICE OF DOCTOR AND HEALTH PLAN

With your Health Security card, you'll be able to follow your doctor to any plan you choose. It could be a plan where you can see any doctor in your community -- they call these "fee for service" plans. You could choose a network of doctors and hospitals, or a Health Maintenance Organization.

Let's be clear about one thing: we're against forcing people into HMOs. The President's approach expands choices -- it doesn't constrict them.

3) OUTLAW UNFAIR INSURANCE PRACTICES

The President's plan will make it illegal for insurance companies to: one, drop coverage or cut benefits; two, jack up your rates if you get sick; three, use lifetime limits to cut off your benefits; and four, charge older people more than younger people.

These practices mock the very idea of insurance by slashing coverage or raising costs just when you need help most. These types of discrimination are outrageous -- and President Clinton's plan will put a stop to them.

4) PROTECT MEDICARE

At the same time that we must protect today's workforce and their families, the President believes very strongly that the true test of health reform is whether it's good for older Americans. That's why his proposal preserves and protects Medicare -- for our parents and grandparents and for ourselves when we grow old.

The American Association of Retired Persons (AARP) says that the President's approach is the "best option for senior citizens." Older Americans will have: first, the right to choose their doctor; second, new prescription drug coverage; and third, some long term care protection.

5) HEALTH BENEFITS GUARANTEED AT WORK

We want everyone who works to get health insurance at work, with employers and employees each paying part of the cost. This is the easiest, simplest way to make sure everyone has coverage because it's where the vast majority of Americans with private insurance get it today.

The government will cover the unemployed, and will continue to cover older Americans with Medicare. That's how we make sure that everyone is covered.

Guaranteeing health care benefits at work makes sense because it means that those businesses that today pay for health insurance for their employees -- and that is most businesses -- will finally have a level playing field. They won't have to pay more for their health insurance to make up for those companies that don't offer their employees health coverage or who drop their health coverage.

The President's plan will put an end to all of this cost-shifting and free-riding. There will be less paperwork, less confusion -- and for most small businesses -- lower costs.

PUBLIC HOSPITALS

Now, let me turn to the provisions that will benefit public hospitals. Some people have expressed concern that public hospitals will not be able to compete under the Clinton Plan. These people fear that under anything but a fee-for-service plan the private sector will "skim off the cream" -- the best patients -- the young, the well, the healthy.

This would leave you in the public hospitals to deal with the "high risk" patients who need the most care -- and the most expensive care -- without the hospital receiving a just compensation system.

I heard this concern expressed in Los Angeles and the same issue may be troubling some of you. Let me discuss the features in the President's plan that will create a level playing field for public hospitals.

First, I'll say the obvious: Private health insurance coverage will be guaranteed for all legal residents of our country -- so that uncompensated care will be virtually eliminated.

Second, the Health Security Act creates a special provider status called "Essential Community Providers." These are the providers who serve high risk, low income, medically underserved populations such as the ones served by Denver General Hospital. In fact, many public hospitals will meet this definition.

All health care plans are required to contract with essential community providers at rates approved by the Secretary of HHS. This will assure that public hospitals and other providers serving medically underserved communities and populations will not be squeezed out.

Third, the Health Security Act includes a program of grants and loans for consortia of public and private health care providers that will enable them to develop community practice networks or community health plans in underserved areas. ***(These networks are much like the community centers Denver already has that keep non-emergency patients out of hospital emergency rooms. The Health Security Act will allow a lot of latitude in creating these networks and health plans for delivering services to the local population.)***

We envision that public hospitals will be an integral part of these networks, and will link with community health centers and other programs serving low-income populations to form health plans that will compete effectively to enroll and provide comprehensive care to the populations they now serve.

Fourth, the Health Security Act contains a program of grants and loans for what we call "enabling services." This includes transportation, community and patient outreach, patient education and translation and other services that will facilitate access to care. This grant program will enable public hospitals and other essential community providers to improve their services and be effective competitors.

So you can see that the President's Health Security Plan has given much attention to the public hospitals because you are already providers of universal health care. You serve a critical need and your interests will be preserved.

Also, Denver General is a teaching hospital and I can assure you that teaching and research, under President Clinton, will thrive despite what some of our detractors would like you to believe.

THE STAKES IN THE FIGHT FOR HEALTH CARE

The debate that is now underway on health care is a once-in-a-lifetime chance for us to make change for the

better. It will be a tough fight -- and it will take all of the energy of everybody here. But it's a fight we need to win -- for our country, our communities, our companies and employees and for our families and ourselves.

Those who benefit from the current health care mess will do everything they can -- and they will spend millions -- to confuse people, to scare people, to make people think reform is too complicated or that it just can't happen.

This time, though, the American people are not going to be scared. They want change. They demand change. If we do our jobs -- we'll have the American people's support to pass this plan -- and their gratitude for health security we can all count on.

In closing, let me urge everyone of you to get involved, join the President's fight, and spread the word. Help us win this victory. Because this is something that each one of us is going to look back on in years to come -- and be proud that we were here to win this one.

-- Thank you very much --

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REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
REACHING DIVERSE CONSUMERS:
A NHTSA/U.S. OFFICE OF CONSUMER AFFAIRS CONFERENCE

DENVER, COLORADO
MAY 13, 1994

(Introduction to be made by Lena Archuleta, Member, American Association of Retired Persons National Board of Directors)

Thank you, Lena, for that introduction, and for the great work you've been doing in this area. It's always nice to be back home among old friends in Denver, and *especially* to speak on a subject as important as today's.

Before I begin my formal remarks, I'd like to congratulate Chris Hart and the National Highway Traffic Safety Administration and our co-sponsors --- the U.S. Office of Consumer Affairs and the Denver District Attorney's Office --- for doing an outstanding job in organizing this conference.

I also want to thank the cooperating organizations for their participation. The American Association of Retired Persons --- which so graciously sponsored this lunch --- the National Urban League, the NAACP, the National Council of La Raza, and the Center for Independent Living all represent constituents to whom we are trying to deliver our safety messages. I am very pleased that all of you have enlisted in this effort. Your participation is critical to our success.

And the success of this effort is *vital*. The safety of the traveling public must always be *the* single highest priority of transportation agencies. This afternoon, I want to talk about three things.

First, the status of safety nationally.

Second, the relationship of transportation safety to health care reform.

And finally, how *you* can help us meet our national goals in *both* of these areas.

In January, I issued a Strategic Plan for the Department of Transportation which focused on achieving seven goals, concerns which affect *every* American. One of these is the promotion of safe and secure transportation.

We have safety efforts underway in all modes. Just last week we launched an effort to create a U.S. Air Traffic Services Corporation to run our air traffic control system more efficiently and increase its safety --- but I want to focus my remarks on highway safety, because *today's* conference *is* centered on the New Car Assessment Program.

Safety has always been our leading highway concern, of course, and recently it's become the *public's* highest priority, too. Again and again in consumer polls, safety shows up as *the* leading concern among car buyers.

In a nation which will buy 14 or 15 million new cars, light trucks and vans this year, that is going to affect a lot of major purchasing decisions.

This has come about in spite of the fact that highway travel actually *is safer than ever*, although we *still* have far to go. As recently as 25 years ago, more than 53,000 lives were lost annually in traffic crashes. That's aalmost 14,000 more people per year than die on the highways now, *even though* our population has grown and Americans are driving more than twice as much.

Since then, citizens' activism, government action, greater emphasis on safety in vehicle and highway design, and stricter law enforcement have all combined to reduce America's traffic fatality rate per mile driven by more than *two-thirds*.

That fatality rate is now one of the lowest in the world --- well below that of Germany, more than *one-third* less than Japan's. That's an *enormous* achievement, and much of the credit belongs to better-designed motor vehicles with safety belts and air bags and roads which are built with safety in mind.

Other changes have come in attitudes. For example, views on driving and alcohol use have changed. 30 years ago, many people thought little of drinking and driving. *Those* days are gone, thanks to effective publicity against drunk driving, to education, to tough law enforcement,

and to strict new drug and alcohol testing standards we've set.

The payoff has been huge. More than 40,000 lives were saved during the past decade alone by reducing alcohol involvement in fatal crashes. Last year, I set a goal, by 1997, of reducing alcohol-related auto fatalities to no more than 43 percent of the total --- at a savings of 1,200 lives a year. We're almost to that figure already, nearly three years ahead of schedule.

We have a similar success story to tell about safety belts. In 1983, only 11 percent of Americans used safety belts. Since then, with public information, education, and the adoption and enforcement of safety belt use laws by many states, use has increased to 66 percent. About than 35,000 deaths and 900,000 serious injuries have been prevented. Here, too, I set a goal: 75 percent use of seat belts. That will save 1,700 lives annually.

These are our success stories --- hundreds of thousands of them, each one the story of a life saved.

We can take pride in this progress, but we also should draw from it the determination to do even better --- because it proves we *can* do better. Nowhere is this clearer than in the fact that not all Americans have benefitted equally from this progress.

For example, young Americans with Hispanic surnames are victims of drunken driving accidents at significantly higher rates than the public at large. Older Americans of all backgrounds, and African-American males, have higher fatality rates. And Native American teenagers have *double* the rate of death from motor vehicle accidents of all other races. *These out-of-line rates are totally unacceptable.*

Our progress remains hollow when *so* many Americans have not benefitted from it. We *must* do *much* more to enhance Americans' health and safety.

I speak of these two concerns together because they're so closely linked. For example, it's not commonly known that Dr. Bill Haddon, the first NHTSA Administrator back in the 1960s, was a physician who became the foremost authority in injury prevention.

Just as Dr. Haddon did, we must view highway safety as a public health problem. That's one reason why President Clinton nominated Dr. Ricardo Martinez, another medical doctor and distinguished trauma specialist, to head NHTSA.

Dr. Martinez will bring to this job a powerful sense of mission. He's determined to dramatically reduce transportation injuries and to make a big dent in America's health care costs in the process.

That's no small amount. Lifetime economic costs for motor vehicle accidents occurring in 1990 will total $137.5 *billion*. That's like an *$800* tax on *every* licensed driver in America. Of that $137 billion-plus, American taxpayers will pay *$11 billion* in health costs, lost tax revenues, and increased public assistance.

In an era in which health care costs have been skyrocketing, motor vehicle accidents are an extraordinary burden on our economy. We can reduce this burden through the safety measures we're promoting, but we also need to attack health care costs directly as well.

The President's Health Security Plan seeks to control such costs and to protect individuals through guaranteed, *private* coverage for all Americans.

This plan will ensure that *all* Americans receive the health care they need, while preserving their freedom to choose the health care plan and the doctors who best meet their needs.

And in exchange, the President asks Americans to take more responsibility for prevention by never drinking and driving, by not letting friends drink and drive, by using safety belts and motorcycle helmets, and by buying --- and using --- safety features on their vehicles.

Health care reform is going to require the *same* broad coalition building, the *same* patience, and the *same* determination that has gone into the battle for highway safety.

Indeed, the fight for the President's Health Security Plan centers on the *same* basic values that have inspired the safety movement: the principles of *prevention* and *personal responsibility*.

***You* can help us move forward on both of these fronts. As recognized leaders in your communities, you are in a position to assess how well our public safety messages are being received, and how we can better target the people you represent.**

You also can work with us to develop precisely-tailored educational programs. We already have steps under way: we are about to release a three-minute program to 75 Hispanic radio affiliates in conjunction with our new "Safe and Sober" campaign. We are adapting three of the popular "Vince and Larry" crash dummy advertisements for Hispanic media, and the New Car Assessment Program information will be promoted to Hispanic audiences for an upcoming print media campaign.

Our efforts aren't limited to Spanish-speaking populations: we also have awarded diversity grants to the Navajo Nation and the Organization of Chinese Americans

and the National Black Alcoholism and Addictions Council to develop culturally-specific public information and education programs.

Ultimately, the solution is in *your* communities. As role models and as opinion leaders in your communities, you can educate people about the importance of these issues, and persuade them of the importance of taking responsibility for their own health and safety.

After all, it was a joint community-California Highway Patrol effort which created the *El Protector* Program --- an effort in which a police officer of Hispanic ancestry serves as a role model, and as a culturally-sensitive spokesman for safety in central California.

Using a combination of mass media, personal appearances, and relationships with community leaders, this program dropped the percentage of Hispanic involvement in fatal crashes in the affected California communities from 65 percent to *33 percent* in the first year.....This program also improved community relations with the police and reduced both auto-related crimes and health care costs.

Similar programs have been developed elsewhere in California and in Arizona, Texas, and Illinois. NHTSA has developed a manual to assist states and localities in implementing such programs, and through our regional

offices, such as that we have in Denver, we can provide other forms of assistance as well.

I look forward to reading the blueprint you produce, and to working with you on implementing it. The work we do together on safety will pay huge dividends in lives and money saved.

The President's Health Security Plan can do the same thing for our nation. So I hope we'll make the same effort --- *together* --- for health security and achieve the same success. I ask *your* support in both of these important quests, and pledge you *mine*.

Thank you.

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REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MOUNTAIN STATES ANTI-DEFAMATION LEAGUE
DENVER, COLORADO
MAY 12, 1994

I want to thank Linda Alvarado and Warren Toltz for that every generous introduction. They're a great team.

I am delighted to be back in Denver and among old friends.

And I thank all of you in the Mountain States ADL for choosing me to receive your first American Heritage award.

This American Heritage Award is meant to honor "a citizen who has upheld those principles which make our nation strong..."

It is a great honor for me to recieve it -- and it means even more coming from people who know me so well.

That's because this award speaks to something that we worked to achieve here that really has made Denver stronger and assured us of a better future.

I'm not referring to the new airport, or the new Convention Center, or the new library or the stadium or the roads and bridges and viaducts we built.

These are all wonderful, valuable achievements. But what I think is even more important is that all along the way, as we launched these efforts, we also reached out to as diverse a group of Denver's people as we could.

We opened doors of opportunity to many who had been shut out in the past -- opportunity for jobs, for a chance to do business or to finally recieve real, tangible service from government in neighborhoods too long neglected.

We created, I believe, a sense that all the people of Denver, in all their diversity, have a common stake in the city's future -- and that they all can have a chance to contribute and to benefit as we build that future.

I am very proud that we did that. This is the kind of change that is not only good for those once shunted aside or left out -- it is good for Denver and good for America. It makes us strong.

I have always believed that we in government can only do the best for the people we serve if we reach out to tap the skills that can be found among all of the peoples that make up America -- all of us.

That's why I am so pleased to be able to pursue that ideal in my current job, working with President Clinton.

This President is trying to do for our whole country what we did here in Denver. This President wants to

ensure that *all Americans* have a chance to contribute and to benefit as we get this country moving forward again.

President Clinton promised that he would seek to create a government that "looks like America" -- and that's exactly what he has done.

This President has appointed more women, more African Americans, more Hispanic Americans and more members of other minority groups to high office than ever before.

And by doing so, President Clinton has proven something that we've all really known all along: the talent, the skills and the dedication we need to serve our country can be found among *all* groups of Americans.

All we ever needed to do was open our eyes -- and then open the doors.

It's been a long time coming, but I believe that this commitment to equal opportunity for all our diverse peoples in America is here to stay.

It is, I think, part of a long, deep movement in the history of our nation -- and in fact, in the history of the whole world.

In spite of occasional backsliding -- and even of tragedies like Bosnia -- peoples all over the world are, I believe, struggling toward a broader conception of democracy and tolerance.

A look at America's own heritage, which this award honors, shows a continuing struggle to expand the rights the American Revolution originally secured only for white men -- our Founding Fathers -- so that they may apply also to women, to African-Americans and, indeed to all our fellow citizens.

Our democracy, in turn, has helped inspire people all over the world to struggle for freedom, opportunity and an end to hatred and discrimination.

Just a few days ago, we saw these ideals triumph as Nelson Mandela, a man who spent twenty-seven years in jail for his beliefs, became President of South Africa.

As he took his oath of office, President Mandela invited some of his former jail guards to stand with him on the podium.

We all welcome the new South Africa to the family of democracy and wish it success in upholding the ideal of democracy and tolerance that Nelson Mandela embodies.

Earlier this week, I traveled to Costa Rica to attend another presidential inauguration -- that of Juan Maria Figueres.

This was an occasion to celebrate Costa Rica's democracy, a democracy that never succumbed to authoritarian rule and has, instead, helped to lead the great return of democracy in Latin America in the past decade.

Last year, I had the privelege of attending the peace-signing ceremony between Israel and the Palestinians at the White House -- and I was as amazed and filled with hope as anyone here tonight.

The progress toward peace in the Middle East won't be easy -- it never is. But there is a great chance of success if the PLO can itself make progress toward democratic rule among Palestinians.

Every sign of movement toward democracy, every sign that old hatreds and suspicions are being laid aside, should give us new hope -- not only that our values will spread abroad -- but that they will succeed at home.

Surely, if Yasser Arafat and Itzhak Rabin can shake hands and sit down to bargain, then we Americans can work through to a fuller appreciation of our unique diversity.

I believe that America's blend of people and cultures and heritages is -- and should be -- a great source of strength and pride for America.

Our country, more than *any* nation in human history, has been based on something no one else has really tried: welcoming *all* the peoples of this world as citizens.

Here, Arab-Americans and American Jews may, if they choose, celebrate the Cinco de Mayo festival with their Chicano neighbors.

Ladies and gentlemen, I suggest to you that this nation of nations -- this coat of many colors -- is a unique and precious creation.

America is, in fact, exactly what Abraham Lincoln called it: "the last, best hope of earth"

And in a world bloodied by ethnic conflict from Sarajevo to Bosnia, America's ideals of tolerance and diversity -- these appeals to what Lincoln called, "the better angels of our nature," -- seem even more precious.

But let us remember that this great and wonderful diversity depends also on our unity. Let us recall that the slogan on our coins, "E Pluribus Unum", "Out of Many, One", obliges all Americans to come together and defend the toleration that forms the common ground of our freedom.

This is something that the Anti-Defamation League has understood all along ..... something it is always good to remind ourselves of.

Because when some hate-filled skin-head scrawls a swastika on a synagogue, that's not just an insult to the Jews -- it's an insult to the idea of America.

When someone denies that the Holocaust even happened, that is not just an insult to the Jews -- it's an insult to the sufferings of *all peoples* through *all time*.

It's an insult to the truth itself -- and the truth is what keeps us free.

And when some demagogue defames a whole people or tries to pit one group of Americans against another -- he's not only lashing out at his target, he's lashing out at the heart of America, at our tolerance for each other.

That kind of verbal hate-mongering caused the tragedy we see in Bosnia. It has no place in America.

And that is why, as good Americans, we must rededicate ourselves to the fight the ADL has waged so well. Because the fight against bigotry and hatred is really *America's fight*... it never ends....

And if we don't take up our part of it, who will?

And if not now, when?

Ladies and Gentlemen, thank you again.

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FINAL

TALKING POINTS

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

NATIONAL EMERGENCY MEDICAL SERVICES WEEK EVENT AT ADAMS ELEMENTARY SCHOOL

WASHINGTON, D.C.
MAY 16, 1994

* Thank you, Principal Topps, for introducing me. I'm glad to be here this morning to talk to you about emergency medical services --- EMS. That's because part of my job is to help make it safer for you to travel, whether on a school bus or in a car or on your bicycle.

* Although EMS paramedics help people in many dangerous situations, one of their *most* important jobs is saving people hurt in car crashes.

* Like Dr. McCabe said, we began to realize years ago that people injured in accidents are more likely to get better if they're treated fast. So, EMS is designed to give people the same type of care they'd get in a hospital emergency room --- only sooner. And special ambulances and helicopters get people to hospitals faster, too.

* Not only are people more likely to live because of this treatment, but they usually spend less time in the hospital.

* **Although emergency services paramedics are specially trained to handle accidents, *you* can help, too. First, you can avoid accidents and injuries by obeying traffic laws, by wearing helmets when you ride your bikes, and by using safety belts.**

* **Second, you can help if you see an accident happen by knowing *how* to call for help. You should know how to dial 9-1-1 --- or the special emergency phone number in your area.**

* **And if you call, be sure to give the operator all of the information you can about the accident --- such as what street it's on, the address if you know it, and how many people are involved.**

* **And third, you can learn to *make the right call*. Always be sure that it's *really* necessary to call emergency services. Sometimes people call simply to get a ride to the hospital, even if it's not really an emergency. This wastes time and money, and it could keep an emergency crew too busy to help someone who's *really* hurt.**

* **But if you aren't sure --- *don't guess, call EMS*. It's better to be safe than sorry.**

* **Matthew Jacobs of Bloomington, Indiana, is with us today. He learned to *make the right call* by watching a video at school. The very next day he saw a motorcycle crash and knew how to call EMS. Matthew made the right call, and he helped to save somebody's life.**

* **Today, as part of National Emergency Services Week, we are honoring Matthew for his knowledge of EMS and for his part in saving a life. On behalf of the Make the Right Call Campaign, I'd like to present this award to Matthew. Let's give him a big round of applause!**

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REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
AMERICAN SUBCONTRACTORS ASSOCIATION OF COLORADO
DENVER, COLORADO
MAY 14, 1994

INTRODUCTION

I want to thank Anthony Solano (President ASA) for that generous introduction and I also want to thank all of you for the high honor you give me today.

I will always count this association's "Man of the Year Award" among my highest honors. I will keep your award in my office to remind me that we shared the same dream and you in this room made Denver International Airport a reality.

Actually, it is I who should be honoring you. You did 80 percent of the contracting on this airport.

You have built 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.

And when we finally do get around to dedicating this crown jewel of America's airports -- whether it's next week or next month or another day -- we can see with our own eyes that the plans and sweat and struggle of the past ten years have all been worth it.

(Sir: The group wants you to tell personal anecdotes about the struggle you and they had as you built the airport -- about your work with the subcontractors -- difficulties, funny incidents -- how you fought for them and kept work going.)

TOPIC OF SPEECH

Today I 'd like to share with you my <u>new perspective</u> on Denver International Airport. I'm more convinced than ever of Denver International's value for our city and the Rocky Mountain region, but as Secretary of Transportation, I also see DIA as critical to relieving congestion in our whole national airspace system.

Let me begin by telling you tell you what I think DIA is going to mean to America.

WHAT DIA MEANS TO U.S.A.

Those of you who built the airport already understand what it means to this city and the State of Colorado. In the most immediate sense, it will produce 25,000 jobs and in excess of $3 billion in annual turnover in Colorado's economy.

Longer term, 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.

Because we shared the vision of DIA -- and because you 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.

As Secretary of Transportation, however, I've had to take a broader view and ask myself what this means to the rest of the nation.

And as I've done so, I've become an even stronger supporter of our airport. It is the only major new airport to be built in this country in a generation. There are no others on the drawing boards. Not one.

Dallas-Fort Worth, the last major U.S. airport built before we started DIA, was opened in 1974 and is now expanding.

For years we've heard talk of a third airport in the Chicago area or at half a dozen other places around the country, but we here in Denver are the only community that has actually come to an agreement and persevered until the job was done.

Aside from DIA, this country will not see any major new airport added in this century.

Match that stark reality against the fact that in 1992 total air traffic system delays cost our national economy $8.5 billion. Throughout the system we had over 275,000 delays that year.

Yet all over this country airports are finding it increasingly difficult to expand capacity or add runways -- either because of lack of space, high land costs or residents' opposition.

These constraints and the cost of delays make Denver International critical to the whole nation's air traffic system.

So whether DIA opens tomorrow or next month or some other day is not as important to the rest of the country as the fact that it will <u>open soon</u>. The rest of the country recognizes that DIA will play a major role in reducing congestion in the national Air Traffic System well into the 21st Century.

Some of you may remember that back in 1989-1990, the Mitre Corporation did a study for the FAA on the levels of air traffic that were forecast at that time.

That study predicted that Denver International would reduce system-wide delays by as much as 18 percent under severe weather conditions. Without the new airport, Mitre found, arrival delays at Stapleton could grow up to 45 minutes in severe weather conditions.

Even if airlines don't need as much added capacity as we expected in 1989, we know today that with it's safe, all-weather capacity, Denver International will provide a haven for airliners, and reduce system-wide delays by at least 4-5 percent -- saving airlines hundreds of millions of dollars a year and sparing travelers lengthy delays at airports as far away as Atlanta, Chicago and Los Angeles.

This will produce a ripple effect throughout the air traffic system and the national economy. Fewer delays mean passengers will get to their meetings on time, productivity will be improved and people's daily convenience will be enhanced.

We here in Denver saw this a decade ago. That's why we began fighting to build this airport.

Today, as my new job takes me around our country and the world and gives me a much wider view of what we've accomplished here in Denver, I'm more convinced than ever that we were right.

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? And, how did the city build it for so little?

That's right -- <u>for so little</u>. The rest of the world sees $3.7 billion for this airport as the bargain that it is.

Japan's Kansai airport in Osaka is costing 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.

Don't misunderstand me. All of these cities have been right to go ahead with these projects. Their leaders realize the tremendous economic gains that their new airports can bring.

But they can never achieve what Denver has achieved: 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 millennium. During good weather conditions the new airport will handle 23 percent (99 landing aircraft) more operations per hour than Stapleton could.

In a snowstorm, the landing capacity will nearly triple compared with Stapleton. And, speaking of triples, our airport design provides for three simultaneous landings or takeoffs.

Soon -- very soon, I hope -- we can celebrate all that we've done together. And when that day comes, I want you all to know that we will not be celebrating alone -- because the whole world will be watching and our whole country will benefit because we here in Denver had the perseverance to make this dream come true.

Everyone in Denver, and especially in this association can be proud of that.

I congratulate every one of you 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 Denver International is something more than just cement and steel and a beautiful palace of light.

It is living testimony to something that America has always been able to do: and that's 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, and because you worked so long and so hard and so steady, that dream will come true.

Thank you very much.

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FINAL

TALKING POINTS

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

THE TEXAS BREAKFAST CLUB OF WASHINGTON

WASHINGTON, D.C.
MAY 17, 1994

(Introduction to be made by Congressman Chet Edwards, President, Texas Breakfast Club of Washington)

* **This morning I'd like to talk about three topics: our proposed National Highway System, the reforms we are seeking for air traffic control, and, most importantly, the push for health care reform.**

1. The National Highway System

* **The National Highway System, or NHS, was mandated by Congress in the 1991 surface transportation bill.**

* **It includes highways of national significance, including Interstates, roads important to defense, and major highways identified by states.**

* **Proposed NHS has 159,000 miles (4% of all roads in the country), which carry 40% of highway travel and 70% of truck traffic.**

* **Includes I-20 from the Odessa-Midland areas through Abilene to Dallas; US 77 from Victoria to Brownsville; I-10 from El Paso through San Antonio to Houston; and US 67 from San Antonio to Dallas: all told, 13,325 miles in Texas, *twice* any other state's mileage. *Texas does everything on a grand scale!***

* **NHS proposed to Congress in December. The House subcommittee on surface transportation completed mark-up last Thursday, and the full Committee may act on it as soon as today.**

* **Longer-term, the NHS forms the foundation of a broader National Transportation System. The NTS will identify priorities for investment and improved connections. It will identify the most significant elements of the nation's transportation system --- all modes, public and private, passenger and freight --- and assess how investment choices will affect travel, the economy, the environment, and energy use.**

* **Effort to look at transportation as one integrated and interacting system to ensure that our transportation system is as efficient as possible. Necessary if America is to compete globally.**

* **DOT teams working on defining the NTS' elements. This summer DOT will begin discussions with transportation stakeholders from throughout the country on how exactly this will unfold.**

2. Air Traffic Services Corporation

* **Air traffic control affects every American: directly, through the delays and inconvenience suffered by air travelers, or indirectly, by the costs such delays impose on the economy.**

* **We have a technologically-outmoded system that's kept running only through the professionalism of America's air traffic controllers.**

* **Outdated, inadequate systems result from bureaucratic personnel regulations, an uncertain annual budgetary system and ridiculously-complex, 11-foot-tall stack of procurement rules which don't allow us to take advantage of the latest in technology.**

* **This system can't be relied on to safely handle the projected 60 percent increase in air travel over the next decade.**

* **Tinkering with the current system won't be enough. Vice President Gore's National Performance Review recommended we reinvent air traffic control by creating *a new government corporation*.**

* **The proposed U.S. Air Traffic Services Corporation will be operated on a non-profit basis, with its bottom lines being safety and efficiency. The Federal Aviation Administration will continue to be responsible for safety, but the other functions --- the**

system's day-to-day operations, buying state-of-the-art technology, deploying employees where they're needed and rewarding them appropriately --- will be handled by the new corporation.

* Self-supporting through fees paid by air traffic control system users, rather than uncertain federal budgetary appropriations. Firm, predictable funding will allow the corporation to leverage its income by raising funds for long-term investments and new technology.

* Free from burdensome federal procurement and personnel rules, the new corporation will be able to rapidly introduce new technology and improve working conditions --- allowing air traffic controllers to do their jobs better, increasing safety *and* efficiency.

* The new corporation is a model for how government can meet critical national needs in a sound, business-like manner.

3. Health Care Reform

* Many Americans' greatest worry is not being able to afford the health care they need for their families. It's a genuine concern: out-of-control health care costs have been straining government budgets, bankrupting businesses, and draining families' life savings.

* **17 percent of all American workers lack health care insurance. 2 million Americans lose their health insurance each month and *58 million* will go without insurance some time this year.**

* **81 million people have what insurance policy fine print calls "pre-existing conditions," which allow insurers to use health problems as excuses to raise rates or deny coverage.**

* **133 million Americans have lifetime limits on their insurance which permit insurers to cut off benefits when people are older and most need protection.**

* **President Clinton has made health security the highest priority of his Administration. He has proposed a plan which strengthens what is right about our current system and fixes what is wrong. 5 principles:**

* **1: *guaranteed, comprehensive, private coverage for <u>all</u> Americans*, coverage that can *never* be taken away. Benefits as good as corporate executives or members of Congress get, including prescription drugs and preventive care, things often not provided today. Protection against catastrophic illness, with low, affordable deductibles and no lifetime limits.**

* **2: *increased choice*. Americans will be able to select the type of care that best meets *their* needs. That could mean a network of doctors, HMOs, or traditional "fee for service" plans. They would *not* be**

forced to select any particular type of plan --- something increasingly not true of many current insurance programs.

* 3: *outlawing of unfair insurance practices*. It will be illegal for insurers to drop coverage or cut benefits, or to raise rates on the ill. They won't be able to discriminate against older Americans by using lifetime limits to cut benefits, or to charge more based upon age.

* 4: *preservation of Medicare*. AARP has called the President's plan the "best option for senior citizens."

* 5: *insurance through people's jobs*. Builds on existing employer-based insurance system which covers 4 of 5 working Americans. Unemployed Americans would be covered by government, and senior citizens would be protected by Medicare. Ensures universal coverage.

* The President's plan builds on things which work --- Medicare, private insurance, employer-provided coverage --- and fixes elements of our health care system that need fixing --- unfair insurance practices, limited choice, lack of insurance for all Americans.

* I urge you to support this once-in-a-lifetime initiative to improve the lives of all Americans; learn the details of these issues and make your voices heard in the coming national debate. Thank you.

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

INTERNATIONAL AVIATION CLUB

WASHINGTON, D.C.
MAY 17, 1994

Transportation Trends

I am delighted to be with you again and to have a chance to keep a promise.

You may remember that over a year ago, when I spoke to this distinguished group for the first time, I said that I looked forward to coming back "to report on our progress and examine our future."

Well, I have a great deal to report. Most of you know that even before taking office, President Clinton was deeply concerned about the condition and future of American aviation. So it is no wonder that the past sixteen months have been so packed with intense activity, controversy and change. I think it is fair to say that this has been the most active, engaged Administration in U.S. aviation in nearly a generation.

Last year when I spoke with you, I talked about four things the U.S. needed to do to get our own house in order to better position ourselves and to negotiate with international partners on a solid footing.

Let me begin today by reporting on what we have accomplished in these four areas. I will then turn to describe our vision of the globalized aviation world -- and some obstacles to that evolution. My third topic will be our international aviation policy, strategies, and principles. I will then touch briefly on the application of those principles to our bilateral talks with the United Kingdom and close by suggesting to you how this Secretary of Transportation defines the U.S. national interest in aviation.

1993's FOUR GOALS: MISSION ACCOMPLISHED

The first, most basic goal that I discussed with you last year was the need for a comprehensive review of the U.S. aviation industry and the government policies that affect it. That has clearly been accomplished.

The National Commission to Ensure a Strong, Competitive Airline Industry has thoroughly examined our industry and given us its blueprint for the future. The Clinton Administration has responded by adopting 49 of the Commission's 61 recommendations in our own aviation initiative -- including the key proposal for ATC corporatization. DOT played a key role in the formation and deliberations of the Commission, and in crafting the Administration's Aviation Initiative. We will lead the effort for reform of ATC services.

The second goal I announced last year was to

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Office of the Secretary, Public Affairs
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encourage competition within our domestic aviation industry. That we have clearly done -- setting an unmistakably pro-competitive policy that applies abroad as well as at home. I have not hesitated to intervene when I believed that a smaller, weaker carrier was threatened by the anti-competitive behavior of a larger, stronger carrier. And the DOT has actively encouraged new entrants to the airline business. Since 1993, the Department has licensed 16 new jet operators. Another 18 applications are currently in process.

Our third goal was to improve the U.S. air traffic control system to make it the most efficient and technologically up to date in the world. This is the principle objective of our proposal to create a new federal Air Traffic Services Corporation to replace the current FAA's Air Traffic Control function.

As you know, this reform was a central recommendation of both the National Airline Commission and Vice President Gore's National Performance Review and it is now a high priority for the Administration. The Vice President and I have already met with key industry and labor groups and we are gaining support from members of Congress.

The new corporation we propose will strip away jungles of red tape, speed the introduction of new, more efficient ATC technology and greatly reduce air travel delay. We will end outmoded personnel policies and could save $18 billion in general fund tax support over the next few years.

Most importantly, I strongly believe that this new federal ATC corporation will enhance the safety of the system by replacing antiquated equipment like vacuum tubes with new, more efficient technology.

I urge you to engage in this initiative and support this long-overdue change.

The fourth goal I identified last year was the need for labor and management to work as partners for the good of the aviation industry. We are committed to smoothing the contentious relationships of the recent past between airline labor and management and we haven't hesitated to facilitate settlements when matters have reached an impasse and the parties have sought our help.

For example, I facilitated an agreement between Northwest Airlines management and its unions that kept the carrier in the air and out of bankruptcy, while maintaining the jobs of thousands of workers. Similarly, we worked to help end the impasse of the American Airlines strike and avoided severe travel disruptions for the American public last Thanksgiving.

In short, I feel very good about the significant progress we have made in accomplishing our four goals.

THE GLOBAL AVIATION MARKET

Let's turn, then to how we see the global aviation market evolving.

Clearly, international aviation markets have offered the richest opportunities for the world's airlines in recent years. Total international travel has been growing at a healthy rate of 7 percent per year -- more than doubling in the last 10 years -- and U.S. airlines have shared in this significantly. International traffic now accounts for 25 percent of U.S. airlines' business, up from 18 percent a decade ago. Every indication is that overseas travel will outpace domestic growth for years to come.

Along the way, the list of U.S. airlines in international trade and their core revenue sources have both shifted dramatically. A decade ago, almost half of U.S. carriers' international revenues were earned over the Atlantic. Europe was our largest market. Last year the Pacific region generated 46 percent of our airlines' international aviation business; the Atlantic, just 37 percent.

There has also been a major change in the ranks of international air service providers. With the exception of Northwest Airlines, the largest U.S. international airlines today were all primarily or exclusively domestic not very long ago. They were able to expand and seize these marketplace opportunities partly because of changes in our domestic policy.

These enormous changes -- in both the supply and demand elements of international aviation -- reflect an industry evolving from a formerly local scope to a global one. As airlines seek to satisfy the new demand for worldwide air services, an increasingly globalized aviation industry is emerging. Airline strategies and initiatives have been driven largely by the logic of these strong economic forces and the search for profit. But they have also been influenced by the international regulatory system and other constraints.

Few airlines, for example, can achieve the goal of true global reach by establishing new direct services with their own aircraft and marketing their services exclusively under their own names. It is not only regulatory constraints that inhibit them but, the daunting costs of unilateral expansion on a global scale. Since there are extensive, existing networks in all regions of the world, one of the most efficient, cost-effective ways that airlines have found to expand globally is to facilitate passenger movements between these regional networks.

This is the economic logic that fuels the ongoing wave of inter-airline investments, mergers, strategic alliances and code-sharing both within and across national borders. This trend is likely to continue well into the next century, leading to the development of a number of global aviation networks linking the three major regional air travel markets -- the Western Hemisphere, Europe (with Africa and the Middle East) and Asia.

U.S. airlines are strongly positioned to compete as lead players in these emerging global networks. First, because the U.S. domestic and international market accounts for 40 percent of

accounts for 40 percent of all world air traffic today -- providing a rich base of passenger traffic; secondly, because deregulation has honed U.S. airlines to a high degree of efficiency.

Of course, it is difficult to predict which U.S. airlines might emerge as the lead elements of truly global networks, but there is no question that U.S. carriers are now ready to compete anywhere around the world. The problem is that much of the rest of the world is not yet ready to compete with them.

U.S. carriers are performing very well compared to most world airlines. Their competitive success -- reflected in dominant market share positions with most major partners has spurred a backlash from some foreign governments. These governments have tried to protect their national flag carriers in ways ranging from limiting U.S. carriers' access to offering massive subsidies to their national airlines. This has produced tensions in many of our aviation relationships and imposed inefficiencies on airlines and the traveling and shipping public.

AVIATION POLICY AND DOT STRATEGY

Ever since taking office, we have shared the frustrations of U.S. carriers facing restrictions on their operations by foreign governments. We have vigorously defended their existing rights and retaliated strongly in appropriate cases. We have always sought to reach agreements that expand access and enhance competition. This focus will remain the core of a more comprehensive ... international aviation policy statement that we will soon release.

We have been working for months on this international aviation policy document -- the first to be issued since 1978, when the Carter Administration set forth the goal of "Open Skies". Before the statement is finalized, we will be seeking comments from industry, the Congress and the American people to assure that the policy represents the national interest to the fullest extent possible.

This more complete policy statement will build on the four strategies to support globalization and open markets that I enunciated in a speech before the International Air Transport Association last November:

1) First, we will actively seek unrestricted, multilateral and sectoral agreements with those groups of nations that are willing -- and able -- to bring comparable opportunities for U.S. carriers and the U.S. economy.

2) Secondly, while we pursue multilateral 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.

3) Thirdly, while we seek to move beyond

the obsolete regime of bilateral accords, we will vigorously defend any and all existing U.S. bilateral rights. We will act through all available means, against any foreign competitors whose governments discriminate against or fail to honor the rights of U.S. airlines. No one should underestimate our resolve in this regard.

4) Fourthly, we will explore the formation of a global coalition of like-minded, free market-oriented nations that could significantly advance liberalization.

THE CORE PRINCIPLE: ENHANCED COMPETITION

Throughout, enhanced competition remains the guiding principle of U.S. aviation policy. We are convinced that competitive airlines, responding to the demands of customers in a marketplace as free as possible of government interference, produce the best results for their shareholders, for their employees, passengers, shippers, communities, regions and nations that they serve.

That has been our experience at home. For all the turmoil it has sometimes created, the intense competition of the past decade and a half in the U.S. airline industry has vastly increased the number of travellers, allowed millions who never before flew to take to the air, nearly quadrupled the number of American cities with competitive air services and generated significant spin-offs for the U.S. economy as a whole.

We believe that competition can spread similar benefits of increased air travel throughout the global economy -- if governments will only let it.

It really is this simple: competition tends to lower prices and increase opportunities, choices and air travel itself. It is a policy that can contribute to global recovery and job creation by stimulating travel, air cargo trade and aircraft manufacturing.

THE U.K. BILATERAL

That is why we seek to apply the principle of enhancing competition in every bilateral negotiation we conduct -- and we have had some success. Unfortunately, that has not been true in our talks with the United Kingdom, a nation whose eloquently-stated preference for competitive air services originally gave us high hopes of progress.

Last year when I spoke to you, I was fresh from my first formal meeting with the U.K's Secretary of State for Transport. I told you how we had enthusiastically undertaken the goal of liberalizing our bilateral agreement within a year. Despite intensive efforts, that goal has not been achieved.

Reduced to its basic terms, what we are seeking from the British is not particularly radical -- the ability for airlines to determine which cities to serve, how many flights to operate, and what price to

charge, without government second-guessing. In any economic sector except aviation, such management flexibility to market and price a product would be accepted without question. Not in these talks -- not yet.

But as I also told the House Aviation Subcommittee when I testified on May 5, we are assessing all options in addressing the continuing restrictions of Bermuda II. We are not interested in an agreement that simply ratifies the status quo. We want a real move forward to more competition between carriers and greater choices for consumers.

THE U.S. NATIONAL INTEREST IN AVIATION

I would like to close with a few thoughts on the broad context in which aviation policy is developed at the Department of Transportation.

Obviously, our goal must be to maximize our national interests. The real question, then, is how we define the national interest in aviation. The answer is:"broadly". It encompasses airlines and their employees, the traveling and shipping public, U.S. cities and our national economy as a whole.

Frankly, that is quite different from the approach taken by many of my counterparts in transportation ministries around the world. Most of our aviation partners view their national interests as determined mainly by the interests of one or two national carriers.

The U.S. is very different. We support competition, not specific competitors.

Virtually every international aviation issue that my Department deals with involves the diverse interests of several of our airlines, and what may be viewed as a positive outcome by one carrier is often vigorously opposed by others.

Moreover, U.S. airlines are not the only parties whose legitimate interests in these issues we must consider. As Secretary, I must look beyond the specific interests of individual airlines to craft an aviation policy that weighs a vast array of concerns.

To our cities, international air service represents an important ingredient in their strategies for economic development. As the former mayor of Denver, that is something I am keenly aware of.

Increased access to foreign markets creates more jobs for our labor force. Growth in aviation markets means that our manufacturers will be able to sell more planes, thereby increasing employment opportunities. Finally, the interests of the U.S. consumers -- whether traveling or shipping by air -- must also be a priority consideration.

Maximizing the national interest, broadly defined in this way, will remain our goal in shaping future aviation policy. Finding ways to enhance competition in aviation is a means to this end .

In many ways, I wish that our aviation partners would adopt a similar perspective. I urge them to

weigh the vast interests of their cities and citizens and tourism and their whole national economies at least as heavily as they do the concentrated, visible -- and highly audible -- concerns of their airlines.

Unless there is such a change of view, the transition over the next few years from today's tightly restrictive international regulatory regime to a more liberal, competitive, truly global aviation environment will be as rocky as it is inevitable.

Whatever other governments do, we will be firm throughout this transition in defending and advancing the opportunities of U.S. carriers and in seeking to provide the flying public in the United States and abroad with the increased choices and reasonable prices that greater competition brings.

We believe this is not only in the interest of the United States, but also reflects the interests of air travelers, businesses and other nations all over the world. And that means our policy has a very powerful tailwind behind it.

Thank you very much.

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FINAL

GENERAL TALKING POINTS

SECRETARY OF TRANSPORTATION FEDERICO PEÑA

CENTER FOR NATIONAL POLICY DINNER SERIES

WASHINGTON, D.C.
MAY 18, 1994

* Thank you for that introduction. Tonight, I'd like to talk about three Clinton Administration initiatives: the National Transportation System; the Air Traffic Services Corporation; and health care reform.

The National Transportation System

* The National Transportation, or NTS, is an Administration initiative based upon the National Highway System, or NHS, that Congress mandated in the 1991 surface transportation authorization bill.

* It includes highways of national significance, including the Interstate Highway system, roads of importance to national defense, and major highways identified by the states. These roads are of strategic or economic importance, and form the backbone of our transportation system.

* **Although the NHS we proposed to Congress includes only about 159,000 miles of highways --- 4 percent of all roads in the country --- they carry fully 40 percent of America's highway travel and 70 percent of commercial truck traffic.**

* **The NHS will be the cornerstone of our road system of the future, and will serve to identify priorities for a high-quality, interconnected system of principal arterials. It also will focus federal highway investment, especially the $21 billion authorized for this system's construction and maintenance.**

* **The NHS designation was proposed to Congress in December. The House Public Works Committee completed its mark-up yesterday, and the full House should act on it soon. We hope for a clean bill that focuses on defining the NHS, without addressing extraneous issues.**

* **The NHS focuses on highways of significance, but they are only one part of a much larger transportation system. Congress recognized that, too, when it entitled the 1991 transportation authorization bill the Intermodal Surface Transportation Efficiency Act and recommended, without requiring, a National Transportation System.**

* **The NTS is the next logical step in defining a fully-integrated transportation system. *No one* has a really detailed understanding of what the nation's total transportation system is, and how its parts interact. Without that, we have limited ability to evaluate the full scope of transportation needs and alternatives for meeting those needs.**

* **The NTS will identify the most significant elements of the nation's transportation system --- all modes, public and private, passenger and freight --- and assess how investment choices will affect travel, the economy, the environment, and energy use.**

* **It's a revolutionary effort to look at transportation as one integrated and interacting system, rather than as a road here or a railroad there; an attempt to ensure that our transportation system is as efficient as possible. It is necessary if America is to compete effectively in the global marketplace.**

* **DOT teams already have begun work on creating such a system: developing a process for defining its parameters. This summer we plan to begin discussions with transportation stakeholders from throughout the country on how exactly this will unfold.**

* **We look forward to working with them, with state and local governments, and with Congress.**

Air Traffic Services Corporation

* **A second proposal we have before Congress is for the creation of a new governmental corporation for air traffic control services. This, too, affects every American: whether directly, through the delays and inconvenience suffered by air travelers, or indirectly, by the costs such delays place on our economy.**

* **These costs are the result of a system that's outmoded, and is kept running only through the professionalism of America's air traffic controllers.**

* **But there's only so much they can do. In recent months I've visited control towers at airports from Seattle and Tampa, and have been shocked at our system.**

* **Here in Washington, our controllers use a Univac computer; it's the size of a truck, but has less computing power than a modern laptop. In Atlanta, technicians use dog-eared 1957 repair manuals --- the latest in technology there. And in Seattle, they use computers powered by vacuum tubes: *3.5 million* of them have the power of a *single* Pentium computer chip!**

* **These outdated, inadequate systems are the result of bureaucratic nonsense and personnel regulations. They 're the result of an uncertain annualized budgetary system and ridiculously-complex, 11-foot-tall stack of procurement rules which don't allow us to take advantage of the latest in technology.**

* **America's travelers and air traffic controllers deserve better than this. So do all of us who pay for the delays this system causes through higher prices for goods and services all across the country.**

* **The system is functioning now, but barely. It's not likely to be able to safely handle the projected 60 percent increase in air travel over the next decade.**

* **Some have said that tinkering with the current system will be enough. I don't think so, and neither does Vice President Gore. His National Performance Review recommends we reinvent air traffic control by creating a *new government corporation for air traffic control*.**

* **The proposed U.S. Air Traffic Services Corporation will be operated on a non-profit basis, with its bottom lines being safety and efficiency.**

* **The Federal Aviation Administration will continue to be responsible for safety, but the other functions --- the system's day-to-day operations, buying state-of-the-art technology, deploying employees where they're needed and rewarding them appropriately --- will be handled by the new corporation.**

* **The new firm will be self-supporting, with fees paid by those who use the air traffic control system --- and not annual federal budgetary appropriations. Such firm, predictable funding will allow the corporation to leverage its income by raising funds on the capital markets to fund needed long-term investments and new technology.**

* **Free from burdensome federal procurement and personnel rules, the new corporation will be able to rapidly introduce new technology and improve working conditions --- allowing air traffic controllers to do their jobs better, increasing safety while also enhancing efficiency.**

* **We see this as a model for how government can meet critical national needs in a sound, business-like manner.**

* **Finally, I would like to talk about the President's Health Security Plan. Many Americans' greatest worry is not being able to afford the health care they need for their families. It is a genuine concern: out-of-control health care costs have been straining government budgets, bankrupting businesses, and draining families' life savings.**

* **17 percent of all American workers lack health care insurance. 2 million Americans lose their health insurance each month and *58 million* will go without insurance some time this year.**

* **81 million people have what insurance policy fine print calls "pre-existing conditions," which allow insurers to use health problems as excuses to raise rates or deny coverage.**

* **And 133 million Americans have lifetime limits on their insurance which permit insurers to cut off benefits when people are older and most need protection.**

* **President Clinton has made health security the highest priority of his Administration. He has proposed a plan which strengthens what is right about our current system and fixes what is wrong.**

* First, it *provides guaranteed, comprehensive, private coverage for <u>all</u> Americans*, coverage that can *never* be taken away. And it offers benefits as good as corporate executives or members of Congress get, including prescription drugs and preventive care, things often not provided today. The coverage will protect Americans against catastrophic illness, with low, affordable deductibles and no lifetime limits.

* Second, the President's proposal *increases choice*. Americans will be able to select the type of care that best meets *their* needs. That could mean a network of doctors or hospitals, or a health maintenance organization, or a traditional "fee for service" plan with their own doctor.

* Americans would *not* be forced to select any particular type of plan --- something increasingly not true of many current insurance programs.

* Third, the President's plan *outlaws unfair insurance practices*. It will be illegal for insurance companies to drop coverage or cut benefits, or to raise rates on the ill. They will not be able to discriminate against older Americans by using lifetime limits to cut benefits, or to charge more based upon age.

* **Fourth, *Medicare will be preserved* under the President's plan. This is an existing program which *works*, protecting older Americans from financial ruin when they are at their most vulnerable.**

* **The American Association of Retired Persons has called the President's plan the "best option for senior citizens." That's an endorsement which we are proud of.**

* **Finally, the President's plan will *give Americans insurance through their jobs*, building on the existing employer-based insurance system which now covers four of five working Americans. Employers and employees will each pay part of the cost so that *all* working Americans would be covered.**

* **Unemployed Americans would be covered under a government plan, and senior citizens would be protected by Medicare. This is how the President would ensure universal coverage.**

* **The President's plan builds on things which work --- Medicare, private insurance, employer-provided coverage --- and changes those which don't --- unfair insurance practices, limited choice, lack of insurance for all Americans.**

* **These proposals have in common the President's commitment to develop programs which meet urgent national needs without the inefficiencies of bureaucracy or the ideological prohibitions against government involvement in areas of national concern.**

# # # # #

Transportation Trends

SECRETARY OF TRANSPORTATION
FEDERICO PEÑA

HIGHWAY USERS FEDERATION/
U.S. CHAMBER OF COMMERCE

WASHINGTON, D.C.
MAY 19, 1994

INTRODUCTION

I'm delighted to see your two organizations team up in a three-day conference on the National Highway System because I consider the NHS one of the most significant transportation developments in this century.

TOPIC OF SPEECH

Today I want to talk about transportation, the U.S. economy and the positive benefits from investing strategically in infrastructure -- and I want to make two points.

First and foremost, the Clinton Administration is committed to investing in infrastructure and the National Highway System we proposed last December is the largest and most complex component.

We believe in infrastructure investment as a means of improving our quality of life, making it easier for people to move more freely, strengthening America's economy, and creating jobs for American workers,

Secondly, I want to talk about the critical role of both the National Highway System and the National Transportation System initiative in our transportation future. Simply put, we can't have a strong National Transportation System without first laying its foundation -- the National Highway System.

Now, this topic may sound to you like "preaching to the choir" but there's good reason for such a "sermon." We stand today at one of the pivotal moments in surface transportation history -- not unlike the 1890's when General Roy Stone, a Civil War hero, became the leader of the Good Roads Movement and convinced Americans to invest in roads. Our situation today is similar to the debate over and approval of the Interstate Highway Program in the 1950's.

We have an opportunity to leave a legacy -- to get the National Highway System enacted by Congress and to craft a broader National Transportation System on that base. But it's going to take the support and hard work of everyone in this room to make it happen.

So let's use these few minutes together to re-energize ourselves for the tough task ahead and recommit ourselves to the cause we all champion -- a complete, integrated transportation system for all America.

- more -

U.S. Department of Transportation
Office of the Secretary, Public Affairs
(202) 366-4570

THE CLINTON ADMINISTRATION'S COMMITMENT TO TRANSPORTATION INFRASTRUCTURE

President Clinton views investment in transportation infrastructure as a central element of his strategy for long-term economic growth and increased American competitiveness in world markets. From the early days of his campaign the President has fought for investment in infrastructure to strengthen our economy and our global competitiveness.

Clearly, the state of our infrastructure has an impact on our whole economy -- and American competitiveness in world markets -- by enabling cheap, efficient movement of people and goods. It is also an important generator of jobs.

As American companies increasingly rely on "just in time delivery" to get raw materials to plants; and as American wholesalers and retailers count on rapid delivery to keep their inventories lean -- the economic importance of an efficient, seamless national infrastructure is actually growing.

For example, in the 1980's, U.S. businesses made dramatic improvements in their productivity by lowering their business logistics cost. Transportation costs accounted for over 46 percent of logistics costs ($277 billion). By improving the way they moved goods and services in the 1980's, U.S. firms saved about $35 billion in transportation costs (of which $30 billion are attributable to trucking).

They saved another $30 billion in inventory space because the inventory is "stored" in the transportation system. Those savings came in the 80's before we stepped up our infrastructure investment so there is still great potential for future gains.

Logistics-related costs of U.S. businesses will likely exceed $600 billion per year during the 1990s, so the opportunity for infrastructure investments to produce shipping cost savings is still tremendous.

An increase of just 1 percent in system-wide transportation efficiency, for example, would translate into more than $100 billion in gains for the American economy within a decade.

One major grocery chain, for example, estimates that traffic congestion and the need to route shipments around bottlenecks costs nearly $1 million a year -- $824,000 per year in delivery costs and an additional $173,000 in inventory carrying costs.

These are the kind of examples that have influenced the President to back increased investment in transportation infrastructure in both of his first two years' budgets.

In fact, DOT's 1995 budget contains the largest transportation infrastructure investment in our nation's history -- over $28 billion -- in a year when the budgets of many other departments were sharply cut. And it includes full funding of the "core" capital projects under ISTEA.

- more -

Since 1991, the DOT's infrastructure investment budget has grown by 24 percent, and that increase is now moving through the pipelines bringing needed transportation improvements and efficiencies, putting construction machinery in motion and creating jobs.

In addition to rising federal investment, we are also seeking ways to involve the private sector in innovative financing. Already, in fact, the public/private transportation bond market has seen explosive growth. Transportation-related bond issues multiplied by over 500% between 1983 and 1993 -- with highway and toll road bonds surging from about $750 million in 1983 to $11 billion in 1992.

Admittedly, much of that was refinancing to take advantage of record-low interest rates. Still, reaching out to the private sector to form public-private partnerships that "leverage" government investment may be a promising way to find the resources to close the infrastructure investment gap. Of course, we also must ensure that all of our investments, however they are financed, are made wisely and strategically.

Being wise and strategic brings me to my second broad topic -- the National Highway System, the National Transportation System and our transportation future.

NHS, THE NTS AND THE ECONOMY

The National Highway System is above all else a guide to wise "strategic investment" with links to major airports, seaports, rail stations, transit systems, intermodal terminals and maritime facilities. By providing these connections, the National Highway System will greatly increase the efficiency of our whole transportation network. This makes each mode, including highways themselves, that much stronger.

In the future, we will see new "highways" made from fiber optic cable as well as asphalt. However, the "Information Highway" is not going to end the need for our current system. Someone may order a new sofa through an interactive computer network, and someone else may be tracking that sofa's every movement via Global Positioning System satellite, but someone else is going to have to deliver it. We will still need a well-designed, well-maintained transportation system to do this efficiently.

The NHS, as it is currently proposed, contains just four percent of America's four million miles of public roads. But it carries over 40 percent of the nation's highway traffic, 70 percent of the truck freight traffic, and 80 percent of the tourist traffic.

Once adopted by Congress, the NHS would allow every level of government to better target its transportation investments in coming years. Much ISTEA funding, as much as $21 billion, will be directed towards the NHS and state governments will have strong incentives to match or surpass those efforts.

That's what I mean by strategic investment.

- more -

The NHS will increase economic opportunities to communities not served directly by the Interstate system. And it will link up with roads in Canada and Mexico, uniting the North American Free Trade Zone with a high-performance continental road network.

Last month, I convened a North American Transportation Summit in Washington with the ministers of transportation of Canada and Mexico. I wanted to ensure that as NAFTA spurs trade among our three countries, our transportation systems will be able to support that trade in a safe, efficient, and equitable manner.

I found the ministers of the two countries very cooperative in carrying out NAFTA's transportation provisions. All three countries are now working together on issues from standardization of regulations to advancing waterborne traffic and coordinating highway infrastructure development. The NHS will make these connections between our neighbors to the north and South much easier.

Longer-term the National Highway System will also form the backbone of the National Transportation System -- enhancing all other modes of transportation by serving as the glue that binds all of them together. We need such a seamless intermodal transportation system to meet the challenges of competing in the 21st century global economy.

WHERE DO WE GO FROM HERE

The next step for the National Highway System is to win Congressional approval. I know that you have already heard from House Public Works and Transportation Chairman Norman Mineta and Senate Environment and Public Works Committee Chairman Max Baucus. We are working with Chairman Mineta and looking forward to sitting down with Chairman Baucus to do everything we can to reach agreement this year on a National Highway System.

Here is my perspective. We submitted our proposal for an NHS in December -- ahead of schedule. We asked for a single "clean" National Highway System design.

As you probably know, the House Public Works Committee approved an NHS bill just two days ago.

That bill provides for an NHS and it also mandates that the Department submit a proposal for a National Transportation System within two years. I want to commend the Committee for its supporting for the development of the National Transportation System in the bill because The NTS will allow us to make our nation's transportation investments more strategically and to assess the effects of our transportation investment choices.

The bill could be voted on by the full House before Memorial Day recess.

We appreciate the tireless work of Chairman Norman Mineta in giving early and thorough attention to the NHS.

We are glad the Committee acted quickly but we do have some

concerns about the bill as reported. Our major concerns are that the bill contains a number of demonstration projects. Specifically, the bill -- as reported by the House Committee -- could divert scarce budget resources from programs department-wide in order to fund projects that have not been evaluated through normal state processes.

One problem regarding safety was cleared up by a significant vote in the full committee. I want to thank Congressman Mineta for vigorously and successfully defending the ISTEA penalties against the states that fail to enact and enforce motorcycle helmet and safety belt use laws. The provision to eliminate those penalties was in the Subcommittee Bill but penalties were restored in the full committee.

This is a real victory because these mandates save lives and millions of dollars in annual health care costs, and they are reasonable conditions for use of public roads.

The National Highway System process should not become bogged down in discussion of specific projects and narrow issues. As we work together, we need to keep the deliberations focused on the linkages to the broad national purposes.

I would like to see early enactment of an NHS bill so we can move forward with developing a National Highway System. I want a clean Act establishing a National Highway System before the '94 session ends, so we have no opportunity for last minute mistakes -- delays -- or hitches next year as the deadline approaches.

Under ISTEA, Congress has until September 30, 1995 to approve the legislation designating the National Highway System.

If Congress misses that deadline we cannot apportion NHS funds -- $3.6 billion -- to the states for fiscal year 1996. We also won't be able to apportion Interstate Maintenance Program funds -- $2.9 billion.

So everyone has a vital stake in seeing the NHS legislation is enacted on time.

Make no mistake about it. The NHS is not a done deal. It will not happen if we rest on our laurels. If we assume everyone sees the point, if we think everyone agrees with us, then our complacency will be costly.

We have a tough road ahead of us. The challenge is before you and before us.

If highways are to be the backbone of our intermodal transportation network -- the glue that holds the seamless web together -- we need each of your continued support.

We face two challenges:

First, we must redouble our efforts to get the National Highway System enacted this year so we can get on with the business of creating a more efficient and competitive transportation system and building for our future. Our mobility and our economy cannot afford to wait another year to begin building our future.

Second, we must have the support of everyone in this room in drafting the National Transportation System. We have no preconceived notions. DOT has started a nationwide outreach to help us sharpen the purpose of the NTS and forge a powerful and dynamic tool for citizens, policy makers, and elected officials.

By the end of 1994, we will have received public comments which will be used in drafting an initial NTS map. By September of 1995, we plan to have the NTS map, a process for updating it, and a draft legislative proposal that supports the NTS.

If are successful in getting a National Highway System this year and a map for the National Transportation System in 1995, I promise you this:

What the Interstate Highway System was for our predecessors, the National Highway System will be for us, providing the backbone of a comprehensive intermodal transportation system that will enable America's children and our grandchildren -- and beyond -- to enjoy the fruits of our vision.

I look forward to working with you to ensure that we establish a legacy that we will be proud to pass on to future generations.

Thank you very much.

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REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NEW MEXICO DISTINGUISHED PUBLIC SERVICE AWARDS
ALBUQUERQUE, NEW MEXICO
MAY 20, 1994

I want to thank Art Meledres (Chairman) for that generous introduction. I also want to thank Governor Bruce King for inviting me here tonight and all of you for allowing me to share in this very special 25th anniversary presentation of the New Mexico Distinguished Public Service Awards.

(a humorous anecdote about your visits to your father-in-law in Albuquerque -- you married an Albuquerqueian...something?)

This night belongs to the 11 honorees. But this awards dinner also honors public service itself and the idea that one person can make a difference. This night makes a very positive statement about the value the people of New Mexico place on serving the community.

I notice that the recipients of New Mexico's highest honor are from diverse backgrounds and occupations. They come from the governor's staff and the bureau of elections, from the staffs of Los Alamos National Laboratories and Kirtland Air Force Base, from the Department of Energy and the New Mexico Health Department. These eleven citizens of New Mexico also include a woman who founded a center that provides tutoring for at-risk children, a man who provides

community service to the Navajo Nation, an artist who founded the Albuquerque Indian Center, a newspaperman who helped expand Cannon Air Force Base, and a businessman honored for his generosity to community agencies. To me, you are all truly remarkable.

This award salutes the public employees for doing things that go far beyond their formal duties -- for truly serving others rather than merely doing a routine government job. But the award also salutes private citizens for the deeds that reach beyond their personal lives to touch the whole community.

These honorees -- public employees and private citizens -- have a single common bond. They have shown the will and imagination to make their own special contribution to New Mexico and to America.

So let me begin by congratulating Governor King for strongly supporting this award; also, to Art Melendres for chairing the awards committee this year; and especially, to each of the recipients for the special efforts that earned you this award.

Tonight I'd like to share some thoughts on public service -- not only what those of us in Washington are doing to bring change to America, but from a personal perspective.

My message is that all of us -- and all Americans everywhere -- have to <u>get involved</u>.

I've spent most of my life in public service -- as a civil rights lawyer, as a state legislator, as a Mayor and now as a member of the cabinet of the President of the United States.

Today, when people ask me why I choose to work in the public sector, I can only tell them that -- for me -- one of the great satisfactions in life is the opportunity to face challenging issues, to help shape policies that affect us as a nation, and most of all, to make a difference in people's lives. And let me assure you, even in an institution as big as the federal government, the individual <u>does</u> count.

One vote can make a difference in an election; one voice an impact on public policy. One suggestion or idea can start the wheels of government turning and one well-reasoned, well-documented argument can change the course of public action. Service in the public arena today means confronting, face-to-face, some of the most challenging issues of our time.

For those of us who work in the public sector as well as for those among us who chose to serve others in another way, public service is our duty if we are to restore the American Dream -- that promise our country has always lived by -- the promise of passing on a better way of life and never allowing our nation and our values to move backwards.

The question is, "Who will stand up?"

I can tell you where we stand in Washington.

We first stand for using every power of government we can to get this economy growing. And we're succeeding. We'll see nearly three million new jobs this year on top of two million-plus last year.

And we are as concerned about job quality as quantity. We want to create millions of high-wage, high-tech high, high-skill jobs; to invest in education and research and development; to convert defense industries to civilian use and to open markets for American exports all over the world.

We want to replace the unemployment system with a "re-employment" system that will get people who lose their jobs back to work faster -- and into better jobs whenever that's possible.

And we're trying to open opportunities for the next generation of Americans too. That's why we have expanded the college loan program and established new National Service Program that will help many youngsters get a college education.

They will be able to pay for college, then pay back by serving in our communities as teachers or policemen or drug counselors. By 1996, there will be well over 100,000 volunteers -- and the truth is that our country needs every one of them -- and more.

Indeed, we need to use the power of government whenever we can to heal our society. That is why we are raising education standards and expanding pre-school programs like Head Start,, and immunizing children and most importantly leading the fight for Health Security for all Americans -- health care that can never be taken away.

Ladies and gentlemen, I am as proud to be part of this fight for health care security as I am of anything I've ever done.

Because this isn't just about money. Our nation is more than an economy. America is a community of shared values, and health care for all should be one of those values.

But no matter how much we do in government -- and we're working overtime -- I realize very keenly the limits of what government can do.

America is a country that has always been carried forward by its people, and by our values -- not by government.

Because while Government can make good laws, it cannot make good people.

Government may build a hospital. But we are the ones who must visit the sick and comfort the dying.

Government must build schools -- good schools -- but parents are the most important teachers.

Government can build libraries and parks and gyms, but somebody must encourage the children of broken homes and neighborhoods besieged by crime to read and play and grow -- and not join gangs or do drugs.

In short, Government can be a partner, but it is we, the people, taking up our responsibilities and living as best we can by high values, who can realize the possibility of this country and pass the best of America from generation to generation.

Every one of us, if we will, can make a difference.

Indeed, America's own history and experience prove that a single individual brave enough to stand up for something can set off an enormous social change for the better.

Forty years ago this week,, in its famous Brown v. Board of Education ruling, our Supreme Court declared that school segregation by race was inherently unequal and should be corrected "with all deliberate speed."

But that Court ruling alone didn't change America. People did. Starting with one tired woman on her way home from work.

More than a year after the Court ruled, an African-American seamstress named Rosa Parks refused to give up her seat in a whites only section of a bus in Montgomery, Alabama.

Rosa Parks was arrested. But because she stood up for her rights, the great movement for civil rights for all Americans began in earnest. Ten years later, with the passage of the Civil Rights and Voting Rights Acts, that movement put an end to America's own version of apartheid.

Someone must stand up.

The people we honor tonight have done that. And I know many others in this room serve the community in very special ways. But we need millions more Americans to get involved.

I tell you tonight, that if every American as privileged as we are would stand up -- and touch the life and raise the hopes of a single young person, we could make enormous strides in healing our nation's wounds, restoring faith in America's future, faith in ourselves and most importantly, faith in our values.

I say "most importantly," because everything we achieve -- everything -- depends fundamentally on the values we believe in, live by and pass on.

It is our values, our belief in work and family above all that sustains America's economy and society.

The times cry out to us to act. So many young Americans have lost their dreams, abandoned hope. Their playgrounds are too often filled with screams, taken over by gangs, pumped full of dope. Some would rather die than try to live -- and we look on in disbelief.

Will you and I find the time to help, or will we turn away?

Will we care only for ourselves or engage the passions and needs of our times?

Will we speak out and fight against injustice, or wait for others to act?

Will we make things better for those who follow us, or will we waste our chance and leave a hollow America as our legacy?

No material reward will make up the sense of failure we will feel if we refuse to get involved.

But those who take up their responsibility joyfully, those who love their family and then widen their concerns to care for neighbors and strangers and for their country -- those are the people who send out ripples of hope that keep the best of America moving from generation to generation.

I know there are a lot of people like that here tonight. We've come together to honor 11 of them. And the fact that we do honor them for public service, for reaching out to the broader community speaks well for the people of New Mexico.

It is the kind of spirit and enthusiasm that I've seen here in Albuquerque tonight, that convinces me that the promise of passing on a better life and living up to high values -- that promise we call, the American dream -- is in very good hands.

Thank you very much.

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REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
OWNER-OPERATOR INDEPENDENT DRIVERS ASSOCIATION
BUDA, TEXAS
MAY 21, 1994

I want to thank you all for giving me the opportunity to come out to the Dorset Truck Stop today to talk to you about how the President's Health Care Security Plan will affect independent owner-operators in the trucking industry.

Before I do that I want to very quickly let you know that the Clinton Administration appreciates the crucial role you play in America's economic future. We know the rigs of the independent truckers are the workhorses of the American economy and we stand ready to work with you on any concern you may have.

In fact, FHWA Administrator Rodney Slater met with Jim Johnston (Association President) and a number of other owner-operators in December to get to know you better and to find out more about your concerns.

My Associate Administrator for Motor Carriers, George Reagle even had his staff out at truck stops earlier this year, listening to your members.

We want to understand your problems and work to make your lives as smooth as possible. We know you spend a lot of time away from home. You work in an industry that has a small profit margin at best. You

provide an absolutely essential service and you deserve a fair deal.

One thing we heard most in our fact-finding missions was that in some states it appears safety inspections are aimed at collecting fines rather than improving safety. This shouldn't be. And that more than a few inspectors are either just plain hostile or anti-truck. This, too, is unacceptable.

As a result of what we heard from you, we are working with the Commercial Vehicle Safety Alliance to get to the bottom of this problem and see that you are given respect at all times by all public servants.

Another thing we heard from your colleagues is that lack of uniformity of state fines often causes you delays because you don't carry much cash on the road and have to make arrangements to pay fines. We are working with the states to achieve uniformity and solve this problem.

We heard about a dozen other issues that we are looking into, but my main message here is that you have an Administration in Washington that is pro-transportation, pro-trucking and pro-small business. We want to be your partners in building the American economy.

That's one reason the President is so committed to Health Care Security for All Americans -- health care that cannot be taken away.

There are an estimated 350,000 independent owner-operator truckers in America and only 45 percent have health insurance today -- because many of you simply cannot afford it.

Or, maybe some of you are like one driver we talked to who worked for a trucking company. He was turned down for health insurance because he had a "pre-existing condition." The condition was that he didn't meet the company's height and weight requirements. He was 6'2" and weighed 260 pounds, which doesn't seem too big for the kind of work you do. But he was turned down in today's negative health insurance market.

The President's plan does several things that protects you as truckers, as small business owners and as Americans. It strengthens what is right about our current system and fixes what is wrong. His plan has five basic principles.

One, the plan guarantees <u>private</u> insurance coverage for every American -- insurance coverage that can never be taken away.

Your benefits will be as good as the best plans now offered by the country's biggest businesses. You will have the same benefits that members of Congress receive. Those benefits will include prescription drugs and preventive care, things often not provided today. The coverage will protect all Americans against catastrophic

illness, with low, affordable deductibles and no lifetime limits.

Today, small businesses are paying 30 or 40 percent more than big businesses for health coverage. With the new bargaining power of large pools of buyers, you'll be in charge.

Two, as a self-employed business person, you will be able to deduct 100 percent of your insurance costs -- just as other businesses do now. Today you can only deduct 25 percent of your insurance costs -- if you can get insurance at all. Our plan ends this discrimination.

Three, the President's plan increases choice. You will be able to select the type of care that best meets your needs. That could mean a network of doctors or hospitals, or a health maintenance organization, or a traditional "fee for service" plan with your own doctor. You don't have to select any particular type of plan -- the way many current insurance programs are pressuring people to do.

Fourth, the President's plan outlaws unfair insurance practices. It will be illegal for insurance companies to drop coverage or cut benefits, or to raise rates on the ill...Illegal... They will not be able to discriminate against older Americans by using lifetime limits to cut benefits, or to charge more based upon age.

Fifth, Medicare will be preserved under the President's plan. This is an existing program that works,

protecting older Americans from financial ruin when they are at their most vulnerable.

Let me tell you, the fight for health care security won't be easy. Those who profit off of the current mess are doing everything they can to confuse the issues, to frighten people, and to prevent real reform. Those tactics have succeeded for the past half century. But they will not succeed this time if you give us your support.

This is the first real chance we've had for a couple of generations to seize the moment and to give every American the freedom that health security will bring.

I urge you to learn the issues, to get involved and to make your voices heard. This is a once-in-a-lifetime fight for something that will make your own lives better, more secure, more predictable and healthier.

I'm not asking you to get in it for my sake or Bill Clinton's sake. I'm asking you to join this fight for your own sake and your children's sake. Let's win it for them.

Thank you very much.

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COMMENCEMENT ADDRESS
SECRETARY OF TRANSPORTATION
FEDERICO PEÑA
UNIVERSITY OF TEXAS
AUSTIN, TEXAS
MAY 24, 1994

Members of the Board of Regents, Chancellor Cunningham, President Berdahl, distinguished guests, members of the class of 1994, parents and family members ..... my fellow Longhorns .....

It is a great honor and a great joy for me to come home to UT.

To all who graduate today, I have just one word to say: <u>Congratulations</u>!

Your mothers and fathers and grandparents and uncles and aunts and brothers and sisters and friends are proud of you -- and for good reason.

This is your day.

You've passed the last final, your thesis has been accepted, and, thank God, your name was on the list for a cap and gown .....

Tonight, you take with you not just the knowledge you gained, but the friends you've made and the values you've acquired.

Best of all --- and I'm living proof --- you <u>can</u> come back again ..... and when you do, UT will still feel like home.

(PAUSE)

For me, coming back tonight brings back memories of the late 1960's, when I was here.

The Longhorns fielded great teams.... the Beatles had a great new album out .... Sergeant Pepper's Lonely Hearts' Club Band (please tell me that you remember the Beatles!)....

And Mickey Mouse was running for student body president, right here on this campus, near this building.

A small group of students, most likely G.D.I's, were tired of campus politics as usual. We were restless, and we knew a lot of other students felt the same way.

So we entered Mickey Mouse as a candidate for student body President.

We made a paper mache Mickey Mouse head and rounded out the uniform with a blue blazer, white pants, white turtleneck and white gloves -- and we started campaigning.

We even had a ragtime band for our rallies.

I remember it well ..... I was Mickey Mouse.

It was a tough job -- but I've never run away from a challenge.

So there I was:

a short, cocky, protest candidate from Texas with a squeaky voice and giant ears -- <u>years</u> ahead of Ross Perot.

And as a matter of fact, we did so well, that one of the other candidates came up to me one day and tried to make a deal for my support.

She asked me, "What do you want?"

I said: "More cheese, bigger holes, no mousetraps....."

It was all a bit silly -- maybe even cynical. But we had a lot of fun, we came in third, and we shook up campus politics.

And that turned out to be the beginning of a long journey in politics for me, a journey that quickly grew very serious -- not so funny at all -- as it passed through the antiwar movement and the struggle for civil rights and on into elective offices in the Colorado legislature and the Mayor's office in Denver and now to the position of a cabinet Secretary for President Clinton.

Looking back, I can see that this journey has taken me from cynicism and anger against government on to an idealism about what government can achieve when individuals are willing to get involved, take a stand and try to make a difference.

Now, after years in public office -- and after what I hope are some genuine accomplishments -- I still have that idealism, but I also have a new realism about the limitations of government action.

This fascinating journey of understanding has brought me back tonight to Austin -- and it even takes me back home to my birthplace in South Texas.

Because these days I appreciate, more than ever, the values I learned from my parents as a child and here at UT as a young man.

And I realize that deeply-held values are the only true foundations we can build our lives on as individuals, as a nation and as a society.

As this whole journey -- from cynicism to idealism to realism -- comes home to basic values, I have a fresh sense of hope and renewal.

But as I talk to young Americans across our land, I don't often see much hope or any sense of renewal.

What I feel, instead, is a current of pessimism and insecurity, a sense of diminished opportunities.

Many of you, like college graduates across the country, are deeply concerned about jobs and your futures and whether or not you'll be able to use your education, your skills and your talents to the fullest.

But there is something deeper than economic anxiety shaking our confidence.

Americans of all ages are chilled by statistics such as:
the 560 percent increase in crime over the last thirty years;
the 400 percent rise in out-of-wedlock births;
the quadrupling of divorces;
the doubling of teen suicide rates;
the gunplay in grade schools;
the resurgence in heroin use; and
the continuing plague of AIDS.

It's impossible to deny that our country has, in many ways, gone astray, that we face a true crisis of values .....

Tonight, the eyes of Texas are upon <u>you</u>.

But in a real sense, the eyes of people all over the world are upon your generation of Americans.

Because it is the great task of your generation -- and mine -- to restore the American Dream -- the promise our country has always lived by -- the promise of passing on a better way of life, a secure future, and a foundation of strong values.

The whole world is watching us -- to see whether we succeed or fail.

Where will we stand?

How will we handle this historic responsibility?

I can tell you where President Clinton stands.

This Administration is devoted to keeping America's promise of a better future.

We are doing everything that any government can do to get our this economy moving again; to create millions of new jobs; to raise the quality of those jobs, and to open markets for American exports all over the world.

President Clinton understands, better than any President in our lifetimes, that while we must lower the deficit -- and <u>we are</u> doing that -- we must also invest in our people -- in education and lifetime training, in research and development, in science, and in health care that can never be taken away.

And we are opening opportunities for the next generation of Americans too, by expanding the college loan program and establishing a new National Service Program.

Many of your younger brothers and sisters will be able to volunteer for that program, borrow money to pay for college and then pay it back by serving our communities as teachers or drug counselors or health workers.

Our country will need every one of them -- and more -- to begin the task of <u>healing</u> our society.

But our nation is much more than an economy, or a vast collection of jobs, or social programs.

America is a community of shared values.

America as a country has always been carried forward by its people, and by our values -- not by the government.

Government can make good laws; it cannot make good people.

Government may build a hospital. But <u>we</u> must visit the sick and comfort the dying.

Government must build schools -- good schools -- but parents are the ultimate teachers.

Government can build libraries and parks and gyms, but we must encourage the children of broken homes and mean streets to read and play and grow -- and not join gangs or do drugs.

In short, government can be a partner. But is is we, the people, taking up our responsibilities, living as best we can by high values..... <u>we</u> are the only ones who can realize the possibility of this country and pass the best of America from generation to generation.

Every one of us, if we will, can make a difference.

So where will we stand?

America's history and our own experience prove that a single individual, brave enough to stand up for a principle, can be the cataylst for enormous change.

Forty years ago this week, in its famous *Brown vs. Board of Education* ruling, our Supreme Court declared that school segregation was unconstitutional.

But that Court ruling alone didn't change America.

People did -- starting more than a year after the Supreme Court ruling -- when one tired woman on her way home from work, a seamstress named Rosa Parks, refused to give up her seat in the "Whites only" section of a bus in Alabama.

So Rosa Parks was arrested -- <u>taken to jail</u> ...

But because she stood up for her rights, the great movement for civil rights for all Americans began in earnest.

Ten years later, with the passage of the Civil Rights and Voting Rights Acts, that movement, made up of millions of people, finally put a end to legal segregation in America.

But someone had to stand up.

Or take Cesar Chavez, fighting for the rights of migrant workers -- a struggle that continues to this day.

Time after time, we've seen people take on battles that seemed to big to win. But, they knew that someone had to stand up.

Bobby Kennedy knew that.

More than a generation ago, when South Africa's apartheid system was in its ugly prime, Senator Kennedy spoke to that country's young people.

He told them that,

"Each of us can work to change a small portion of events and in the total of of those acts will be written the history of this generation .... It is from numberless acts of courage and belief that human history is shaped. Each time someone stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice then that person sends out a tiny ripple of hope.....and energy and daring, these ripples build a current that can sweep away the mightiest walls of oppression and resistance."

Those were brave words, idealistic words, in 1966. Apartheid seemed invincible.

But two weeks ago, we saw Nelson Mandela take office as President of a new South Africa.

President Mandela was behind bars, a political prisoner, when Bobby Kennedy spoke, but his victory makes Bobby Kennedy's idealistic words seem completly <u>realistic</u>, down-to-earth.... full of common sense.

Because what else was it, except "numberless acts of courage and belief" -- coming from people just like us -- that overcame apartheid?

What else was it but people, brave enough to act, who fueled our own civil rights movement? Or toppled the Berlin Wall? Or started the movement toward peace in the Middle East?

All of these great moments in history began as individual moments -- changes in human hearts and souls -- changes brought about by people who refused to give in to doubt or pessimism -- people who stood up and acted.

Now it is our turn. And where do we stand?

I tell you tonight, that if every American as privileged as we are would stand up -- and touch the life and raise the hopes of one single person -- we would make giant strides towards binding up our nation's wounds, restoring faith in America's future, faith in ourselves and <u>most importantly</u>, faith in our values.

I say "most importantly," because everything we achieve -- everything -- depends fundamentally on the values we believe in, live by and pass on.

It is our values, our belief in work and family above all, that sustain America's society, and our political and economic structure.

For me these values began as a child and grew in my teenage years, sweeping cotton dust from the floor of my father's office, pouring concrete in construction jobs in the summers, shoveling sorgum in a grain elevator.

Here at UT, I washed dishes at Kingsolving Girls Domitory and cooked hamburgers on 19th Street. (They were pretty tasty burgers too, at least when I made them.)

These weren't great jobs or dream jobs. But my friends and I took jobs like these because we had learned the value of work -- like all our values -- from our parents.

My father and mother, who are here tonight, put six children through college, saving and sacrificing. Instead of spending on themselves, they invested in us.

Over time, they raised three lawyers, an accountant, an assistant high school principal and a teacher. (Unfortunately, two of them became Aggies)

They taught us -- mostly by example -- to work and sacrifice, to be honest, to believe in God, to love our country and to take all the opportunities America gave us and meet all the responsibilities it asked of us.

Now that I am a parent myself, I wonder whether I can ever meet the high standards that they set for me and live up to the values they lived by.

Soon, many of you will become parents. You, too, will have to make choices and real commitments to your families, your communities and to your country.

And, my friends, let me tell you that these times cry out to us to act, to take a stand.

We cannot afford to be cynical, or blindly idealistic. We need a healthy realism about what government can do -- and should do -- and a willingness to then engage ourselves -- personally -- in the things that government cannot do.

It is up to my generation -- and now, yours -- to meet a challenge that every other generation of Americans before us has faced and met -- the challenge of passing on a better America to those who come after us.

This very night, this challenge, like a torch, is being passed on to you. We need you. We're proud of you.

And if you take up this responsibility joyfully; if you love your families and broaden your reach to care for neighbors and strangers and for our country; -- then you will send out ripples of hope that will sustain America for your children, and their children after them.

I know there are a lot of people like that here tonight. Those who have loved you and believed in you and helped you make it here tonight are counting on you.

You can make a difference. You can change the world.

Because you are the difference .... you are the world.

With your hearts and hands and minds joining us, I do believe that this generation will show the whole world that America's best days are yet to come ..... and that the American dream is much too young to die.

Fellow Longhorns, congratulations, and God bless you.

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