7.39

REMARKS PREPARED FOR DELIVERY SECRETARY OF TRANSPORTATION FEDERICO PEÑA FEDERAL AVIATION ADMINISTRATION AIR TRAFFIC CONTROLLERS AND TECHNICIANS MARCH 1, 1996 JAMAICA, NEW YORK

Thank you, Arlene (Feldman, Administrator for Eastern Region).

Hello everybody. Let me introduce everyone: Monte Belger, Associate Administrator for Traffic Services ... George Donohue, Associate Administrator for Research and Acquisitions ... Kay Frances Dolan, Director of Human Resource Management ... Barry Krasner (National Air Traffic Controllers Association) ... and Jack Johnson (Professional Airways Systems Specialists).

These dedicated people have spent the past four months, nearly locked up, putting our reforms together. And I thank them.

The format is that each of us will talk a few minutes, and then we'll do what I really came here for: open it up to questions and hear your concerns.

I really want to hear them. This week, David Hinson is travelling around the country meeting with employees; tomorrow, I will be in Chicago. We're doing it because this week begins a new era for

FAA. We have made the most dramatic changes in our history.

In acquisition, we've cut the regulations from a stack that was 11 feet high to one this big (motion with your hands), which means we'll cut the time it takes to buy new equipment in half ... and in personnel, we've gone from 1,000 pages of crazy rules that did nothing but delay hiring down to 41 pages.

Two weeks ago, I briefed the President and the Cabinet on what we're doing (and I saw a lot of heads shaking -- as if how can we do it?)

Last week, the Vice President visited FAA headquarters, when we announced these bold changes. The Vice President said FAA reform will be the model for all of government. You should be very proud of that. Think about that. There are 2 million government workers. And the Vice President wants the 47,000 in FAA to be held up as the example for all others.

We have a Congress that has given you what no other agency has -- relief from bureaucratic rules. We've been able to make these changes, because it is the law of the land.

So, you have a President, a Vice President, a Congress -- all championing your cause.

In announcing the reforms, I made some promises. I told the American people that ultimately what we're doing is to increase safety and to make flying more efficient and saving millions of your tax dollars. And I told the airline industry, we'll make your operations less costly, more timely, and safer.

Most importantly, I made a promises to all the employees -- that we'd forever take away the yoke of bureaucratic red tape, so you can maximize your skills and contributions.

I made those promises because for three years I have criss-crossed this country, meeting the FAA family members. I have seen what you've been able to accomplish with obsolete rules and obsolete technology. I can't wait to see what you'll do now with no handcuffs.

But frankly -- and I want to make this point -- this will require a change in culture around the FAA. I remember once meeting an employee who was ecstatic because the technology we had just installed was only 18 months late.

And I thought: what have we come to? That's no victory.

We have to change that kind of a low-expectation that is created by bureaucratic rules. We have to show

that this agency is back. We have to show who we really are, the best aviation agency in the world.

We live in a country that makes two-thirds of all airplanes in the world ... that carries 40 percent of all passengers ... and that has always had the premier aviation agency. Nobody tops our safety record and nobody ever will -- even in the next decade when we have 300 million more passengers.

In the last 120 days, we have re-designed acquisition and personnel rules from top to bottom to make this an organization ready for the 21st century.

In my opinion, we've done a world-class job of it.

I just ask that you be as bold ... and as determined ... and as daring in implementing these changes, as this team has been in making them.

So, let's hear about the changes.

Agenda:

Monte, air traffic

George, acquisition

Kay Frances, personnel

Barry Krasner

Jack Johnson

Open to Questions

# # # #

7.39

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NEW TRAIN SETS ANNOUNCEMENT
MARCH 15, 1996
WASHINGTON, D.C.

We're here to celebrate an exciting chapter in the history of American railroads: before the turn of the century, the American people will see high-speed trains in the United States. What a great way to welcome the new millennium.

For years, Americans travelling throughout the world have seen the convenience and speed and comfort and asked: why don't we have them here?

Encouraged by the President's and the Vice President's vision, I have been advocating high-speed rail from the first day that I assumed the office as Secretary of Transportation.

We introduced legislation that passed Congress in 1994, the "Swift Rail Development Act," which provided new funds to invest in new technologies.

Today's announcement is another demonstration of our commitment. And I'm happy to tell you that when the President sends his budget to Congress on Tuesday, he'll include $80 million to support this project and $200 million for Northeast Corridor infrastructure improvements.

The American public is right. Why should someone who takes a train between Boston and New York spend four-and-a-half hours on the trip, when high speed trains can deliver you in three hours. That's a 33 percent savings in time.

With quicker service, 3 million more people a year will ride trains up and down the east coast. Think of the benefits of taking 3 million travelers each year off the crowded highways and airways in Boston and New York and Washington, and putting them on Amtrak.

Let me say something about safety. These trains will be the safest ever built in the world. They'll set the standard.

- more -

They'll have locomotives on each end and are specially designed to better withstand a crash. They will travel up and down the northeast, where we are installing a new advanced train control system, and on tracks that between Washington and New York, never cross a roadway.

I want to thank Jolene Molitoris and the Federal Railroad Administration for this. They worked closely with Amtrak, to develop the most stringent safety specifications for rail passenger cars yet built any where.

So, when we unveil this sleek, stunning model of the winning consortium, I hope you look beyond it -- and appreciate what it really represents.

It stands for a new era. It stands for a new future in transportation. It stands as encouragement to others to make the 21st century the high-speed rail century in America.

Last month, the state of Florida committed $70 million per year for 25 years for a Miami to Orlando to Tampa route. In the northwest, work is moving forward to improve the routes between Portland, Seattle, and Vancouver.

And this Administration has plans for the next generation -- for non-electric locomotives, for train control systems using satellites, and all kinds of technological enhancements to help bring high-speed rail to key corridors across America.

We begin today. It is what Americans want. It will give them more options when they travel. It will make them more productive. And as the Vice President will announce it will put more Americans to work.

Now, I couldn't think of a better way to celebrate this day then by introducing the person who has done more to bring technology into the homes and lives of Americans than anyone in this country.

Mr. Vice President, I was thinking we've come full circle in this century. We began it by connecting the country with rails; then your father helped connect the country by highways; now you're connecting the country by the information superhighway; and today we're back into connecting via a super rail system, that by the way, has among its creature comforts -- computer access for passengers. So, even travelling at 150 miles an hour, Mr. Vice President, Amtrak riders can e-mail you on the Internet to let you know how great the service is.

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http://www.dot.gov/affairs/index.htm

U.S. Department of Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, March 14, 1996

CONTACT: Megan Moloney
202/366-5565

MEDIA ADVISORY

Vice President Al Gore, Secretary of Transportation Federico Peña and Amtrak president Tom Downs will announce the contractor selected to construct new high speed trainsets for the Northeast Corridor.

The new high speed train technology that will be put in place from Washington, DC, to Boston, Massachusetts, will meet the most rigorous rail safety standards in the world, making them the safest high-speed rail equipment ever built. The production of the new trainsets will create thousands of U.S. jobs, and high-speed rail service will reduce travel time for rail passengers.

WHO: **Vice President Al Gore**
Secretary of Transportation Federico Peña
Amtrak President Tom Downs

WHAT: **Announcement of Amtrak trainset contract**

WHEN: **11:30 AM EST, Friday, March 15, 1996**

WHERE: **Starlight Room, Gate C**
Union Station
Washington, DC

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2-50

U.S. Department of Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, March 1, 1996

CONTACT: Megan Moloney
202/366-5565

MEDIA ADVISORY

On Tuesday, March 5, 1996, Transportation Secretary Federico Peña will address the FAA's Commercial Aviation Forecast Conference in Washington. The annual, day-long event focuses on domestic and international air-traffic demands and activity of commercial carriers.

Secretary Peña is expected to discuss the results of the U.S./Canada bilateral aviation agreement signed a year ago, as well as the overall growth in air carrier passenger levels. The increasing number of passengers in 1995 boosted the U.S. and Canadian economies by $2.2 billion.

WHO: **Secretary of Transportation Federico Peña**

WHAT: **Address to the FAA's Commercial Aviation Forecast**

WHEN: **8:00 AM EST, Tuesday, March 5, 1996**

WHERE: **The Mayflower Hotel**
1127 Connecticut Avenue, NW

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7.49

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7.48

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
NATIONAL ASSOCIATION OF COUNTIES
1996 LEGISLATIVE CONFERENCE
MARCH 4, 1996
WASHINGTON,D.C.

We're all here because President Clinton wants us, to the maximum extent possible, consult with local officials. He wants us working with you, the people outside Washington. He wants us working on the challenges we face together, as partners.

And, as a former "city/county" mayor, I understand many of your concerns. As you know, I've always had an open door policy, and always make it a point to visit with local officials when I travel.

That's also why I hired John Horsley, from Kitsap County, and a former president of NACO.

So I hope we can have a good exchange today.

Many of your priorities are the President's priorities. And I'd like to focus on three of them that require transportation leadership. One is growing the economy, which is everybody's business. Two is good government, making it work better, and cost less. And three is partnerships, between government officials, business executives, and civic leaders to meet our challenges.

First the economy. My economic message is upbeat, despite some of the rhetoric you may be hearing these days.

The economy is growing, by over 2 percent last year.

We have nearly 8 million new jobs in America (8 million in three years). And these are good jobs, many in our basic industries, such as construction and autos. In my industry, transportation, 400,000 new jobs.

- more -

We have the lowest combined rate of inflation and unemployment in 27 years. Home ownership is at its highest rate in 15 years. We've created more small businesses than at any time in our history.

The President cut the federal deficit in half, after 12 years of huge deficits that quadrupled the national debt. And both the President and congressional leaders have agreed we must balance the budget in seven years.

The point I want to make is that the transportation sector has been a major force in the past three years of our economic growth. It's easier to sell cars at 8 percent interest rates, than at 12 percent.

And the new partnerships we've formed with the transportation sector, advocating on their behalf in foreign markets, have helped.

Take the airlines, which went from losing $12 billion in three years to earning a record $2 billion last year. Two airlines were in bankruptcy when we took office, today all major air carriers are healthy. And, unlike the day of my confirmation hearing when United Airlines laid off 3,000 workers, United is now hiring 6,000 new employees.

Now that is good news for Cook County! And at Boeing, in King and Snohomish Counties, they just announced 7,000 people would be hired.

I know counties operate many major airports. And your airport managers know, new air routes are essential to growing your economy.

Well, one of my jobs is negotiating aviation agreements with other nations. These agreements make it easier to fly overseas, with lower fares, and they open lucrative routes for our airlines and local communities.

In three years, we have negotiated more than 30 (free trade) air agreements. Last week, we just signed one with Germany, doubling America's free market access in Europe.

Opening these markets for U.S. airlines is worth billions of dollars to the American economy.

Take the case of American Airlines service between the United Kingdom and Commissioner Ward's home -- Waice County.

That new service brought in $83 million -- in one year! And not all of it went to the airline and the airport, but straight into local businesses.

So its clear that our great transportation industries -- like aviation and aerospace -- are making significant contributions to the American economy.

Efficient, cost-effective transportation is the backbone of any prosperous nation. It's a hallmark of this great nation. And the President wants to keep it that way.

To compete better, we must also make government work better, and cost less, the second challenge I want to talk about today.

This is something you work on every day in you own communities.

In his State of the Union, the President said the "era of big government is over." That we must be as nimble and entrepreneurial as the private sector to carry us forward into the 21st century.

In the four years prior to my taking office, the last Administration added 10,000 employees to the Transportation Department. Added 10,000! That was big government!

Well, we've taken the President's challenge seriously and since taking office, I've downsized by 11,000!

Smaller does not mean weaker. Tell me: when it came time to help our friends -- past NACO president Randy Frankel in Marion County Oregon -- or our friends in Pennsylvania and Washington state in recovering from last month's devastating floods, did you want weak help? Do you think a weak government can rebuild roads quickly, and help people get their lives back to normalcy?

We're also more entrepreneurial. We've done away with 13 percent of our regulations -- rules we don't need, and probably never should have had.

So, I've downsized my staff in Washington, and done away with many useless rules -- reinventing government as Vice President Gore calls it.

But -- and it's an important "but" -- we've up-sized investments in your transportation infrastructure. And we're doing it smarter and giving local communities a greater voice.

We're making strategic investments that add true, lasting value to the economy.

We're investing $28 billion a year in transportation, 8 percent more than the prior administration. That means $2 billion more in highways, bridges, airports, and mass transit.

And these investments pays good dividends.

For example, some 80,000 new jobs. And don't forget about the "multiplier" benefits, such as the new road to the airport that makes a local community more attractive to new businesses.

One of our biggest investments, which will affect virtually every county in the nation, is the National Highway System recently signed into law by President Clinton.

It gives top investment priority to 160,000 miles of strategic roads across the country. This road network includes the interstate system. And the new network now includes key roads that previously had no connection the interstate when it was built.

Why does this matter? It matters to 99 percent of American workers who live in those counties and will use the network. It matters to 93 percent of farm workers who will drive those roads. And it matters to everyone in this room who cares about economic development.

Ask a private executive what's important when it comes to selecting a community for doing business. Good transportation is always at the top of the list.

We're also investing in transit. We've doubled to an unprecedented $4 billion in major transit construction. And this despite efforts by some in Congress to decimate mass transit investment.

Some might say mass transit is more of an inner city issue. But that's no longer true today. Transit is just as vital in rural and metropolitan areas.

I was in California a few days ago, opened a beautiful new subway station in Colma, just outside of San Francisco. What built that station was teamwork by San Mateo County and the Bay Area Transit Authority. And linking it to San Francisco Airport will help prepare residents in the Bay area's five counties for the challenges of the 21st century.

It is this kind of partnership -- between different local governments, civic leaders, the private sector, citizens -- that I hope to see repeated time and again.

And this is the third challenge I want to talk about, effective partnerships.

Let's focus on three areas: safety, creative transportation financing, and reauthorizing federal highway and transit programs.

First, safety.

Last Friday, I received the final report from the special railroad Grade Crossing Safety Task Force. You may remember I set up the Task Force after the tragic accident last October at a highway-rail grade crossing in Fox River Grove, Illinois.

Seven students lost their lives that morning, when their school bus was struck by a commuter train.

I asked the Task Force to develop recommendations to help prevent tragedies like this from happening again, and to report back by March 1.

The Task Force found that responsibility for grade crossing safety is fragmented. States, railroads, and you -- as county road officials -- all play some role in safety at grade crossings.

Since no single organization is in charge, we depend on a high level of communication and coordination to make grade crossings as safe as possible.

Sadly, we learned communication and coordination isn't what it should be. For example, some local official said we need better coordination among railroads and state transportation departments.

The task force took all of this and formulated 24 specific recommendations to improve communication and coordination. Some are aimed at the federal government, some at railroads, some at states, and some directed toward you, in local government.

But the Task Force also said these recommendations should not necessarily be turned into federal mandates.

Instead, it said we must strengthen existing partnerships between all levels of government, industry, and the private sector. We need to work as a team to

improve grade crossing safety. We need to set up better ways to cooperate, rather than hard rules that may not work in every case.

And we need to learn from one another -- to share ideas -- like they're doing in North Carolina, where the state is taking a cue from Utah in developing training programs.

Local governments all around the country are studying what Los Angeles has done by using cameras to catch people who try to beat a train across the tracks.

This is what partnership is all about. We need to spend more time working cooperatively to improve safety in our communities.

Partnership also is about working together to get the most out of your federal investments -- to stretch the federal dollar -- whether it's for safety or for relieving traffic congestion.

Take innovative financing, the second kind of partnership I want to talk about. I wanted to make it easier for local and state officials.

So two years ago, I streamlined the rules. Did away with many federal restrictions, and gave you more flexibility in the way you manage your federal investments.

Local governments were interested.

We've approved some $4 billion for dozens of projects -- without using any new federal funds -- that might not otherwise have been built.

Let me give you an example.

In Romulus, Michigan, local authorities for 10 years had wanted to build an interchange to connect the interstate to the regional airport, but they lacked state matching funds. And we said in our rigid way: without state funds -- no deal -- and nothing can substitute for a state fund. Under innovative financing, a private developer contributed the state's portion of the matching funds, we said that's acceptable, and construction is now underway.

One more: South Carolina will construct a half-a-billion dollar, 30-mile toll road to give better access to Myrtle Beach, one of the top destination resorts in America today. South Carolina knows there's a one to one relationship in investing in highway capacity and expanding jobs.

They put together a public/private partnership that included proceeds from a 1 cent sales tax in Horry County ... and a developer putting his own funds into it. We gave them flexibility to repay the package, which permits more timely construction, which cuts their costs. If we hadn't given them flexibility, it would be 20 years before that road would be built. Can you imagine the construction costs then?

Well, I challenge all of you to be creative, be innovative and take advantage of this "good government" program.

Speaking of good government and partnerships, I want all of you to know how committed the President and I are to keeping control over federal transportation programs where it should be: at the local level.

Now, Doug knows what I'm talking about.

The governor in Michigan recently wanted to divert $192 million in federal highway money for local projects to state projects. Well, you can imagine the reaction from Doug and other county leaders!

Well, I took two actions. First, we sent a letter a saying that no change in the state's Transportation Improvement Plan would be approved unless it was the product of meaningful deliberations with local governments.

Second, I dispatched the head of my Federal Highway Administration, Rodney Slater, two weeks ago to meet with the State Association of Counties, to give them that assurance, personally.

To resolve problems like this one in Michigan as we prepared for reauthorizing ISTEA -- the Intermodal Surface Transportation Efficiency Act -- my department will conduct hearings later this year in every region of the country.

We want to know what works, and what isn't working. We want to know how ISTEA can be improved. How can it be made more flexible.

We want to make certain these vital investment programs continue to meet local needs -- especially in these times of tight budgets.

Good government is about good decision making. And good decisions are made by those closest to the situation, by locally elected officials like you who are on the front lines.

And that's the way President Clinton and I want to keep it. And that's how we'll fight to keep it when we renew the federal highway bill!!

So let me end by just saying how much I've enjoyed working with you and thank you for all your input.

I ask that we continue to work together, to help keep the economy strong and growing. To keep finding ways of governing better. To promote good government, to keep it local. And to promote safe and secure transportation systems for the hundreds of millions of Americans who use them every day.

These are great opportunities. These are formidable challenges.

But as the President has said: every time our nation has faced great challenges, and we worked together as one unified nation, we have succeeded!

I know, given the talent, energy, creativity and love of country that I see here today, that we're ready for the challenge.

Thank you.

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7.47

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
FEDERAL AVIATION ADMINISTRATION FORECAST CONFERENCE
MARCH 5, 1996
WASHINGTON, D.C.

Today, I want to look with you into our global future.

I am convinced that a decade out, the greatest challenge our airlines will face is: how do we engage in and do well in global competition?

The market is changing -- profoundly. Our domestic market is the largest in the world. But it is now a mature market. Ten years ago, it accounted for 29 percent of worldwide revenue passenger miles, last year, it fell to 26 percent, in a decade it will fall to 23 percent.

Don't get me wrong -- the domestic market will still grow. In fact, I am pleased to announce FAA's forecast is for an annual growth rate of almost 4 percent for travel inside the country for the next 12 years. That is very solid growth. Imagine if we experienced 4 percent growth of our entire national economy.

But the growth rate for international routes will be even higher -- 5.3 percent.

U.S. to Latin America: 6.3 percent. U.S. to Asia: 6.2 percent. That is enormous growth.

During those same 12 years, 30 percent of U.S. airlines revenue passenger miles are expected to come from international flights. That is the kind of world travel we'll be experiencing.

And let me point out that while today the greatest share of that is Atlantic fights, in the next century it will be Pacific flights ... and with Latin America gaining in importance.

- more -

When I assumed the position of Secretary of Transportation, President Clinton wanted me to take a fresh look at international aviation. I was concerned that we did not have a strategic international aviation approach.

The international sector accounted for more than a billion dollars in losses for our airlines. We were making little progress in opening new markets.

France and Thailand had renounced our liberal bilateral aviation agreements. Germany was thinking about doing the same. And some members of the European Union were urging a unified, restrictive aviation relationship with us.

What I found astonished me: the United States of America had not put out an international aviation policy statement in 17 years. Not since Jimmy Carter was President.

So we developed a new one. I showed we were ready to lead. I showed we were ready to create new pathways for commercial activity.

If we want people in our country to have good jobs, if we want communities to thrive because visitors from around the world are pumping money into the local economies, if we want our businesses to get speedy delivery of parts from anywhere in the world as they trade more, we must be a leader in international air markets.

I am pleased to report a global turnaround that may be as remarkable as the comeback of the airline industry itself.

Our U.S. airlines reported an operating profit of half a billion dollars from their international operations in 1994. It should be well over a billion dollars in 1995.

In the past three years, we have signed 32 aviation agreements. We have created more new opportunities for international aviation services than during any other comparable period in history.

There are new U.S. flag services around the globe -- in Europe, Asia, and South America. I will talk about these in a moment. But let me start in North America, with Canada.

One of the proudest days I've had was one year ago, almost to the day, when I was in Ottawa with President Clinton and Prime Minister Chretien, as Minister Young and I opened up our markets with a new breakthrough accord.

It's no secret -- our countries had disagreed for many years before we reached this agreement.

Here we were -- the largest trading partners, conducting roughly one billion dollars of trade every business day between our two countries. The President had signed NAFTA a year before, that promoted even more trade between our countries and gave more reasons for business people to travel. Yet we were living with a restrictive air agreement in place since Lyndon Johnson was President.

Today, I am releasing this one-year report card on the effectiveness of the Canadian agreement.

The results are astounding. Airlines of both countries have moved aggressively to stimulate business and tourism. Never in commercial aviation history has a new agreement spurred such growth.

Let me give you some numbers.

One million additional passengers have travelled between our countries -- and that's just in the last half of 1995. They reach their destinations more directly without waiting around in airports in cities they don't want to be in. Traditionally, passenger growth had been 3 percent a year in this market. Last year, it was five times that.

Flights are up 40 percent. There are 45 new routes. Fourteen U.S. cities, which never had service now have non-stop service to Canada. In total, Americans can take non-stop flights from 34 different U.S. cities to get to Canada.

And they aren't just the Canadian border cities. Dallas/Ft. Worth has new routes. So does Atlanta and the tourist spots of Orlando, and Ft. Lauderdale, and Reno. In fact, this afternoon I am jumping on a plane to Montreal. I couldn't do that last year.

And here's the bottom line: opening skies pumped an additional $2 billion into our economies in 1995 -- $2 billion. By the year 2000, this agreement will expand economic activity by $15 billion -- at no cost to either government, but indeed to the benefit of both countries.

The rest of the world, I believe, would gain by looking at we Americans and Canadians. The lessons to learn are that the economic pie gets bigger for all when you open markets. Thousands of jobs can be created. New services can improve. And both countries can be winners. So much for Pat Buchanan!

Now, let's look at Europe. I pushed for open skies with Europe -- and 10 countries signed up last year, which make up 20 percent of the European market. It was the first time, we were ever able to reach accords with multiple countries. It has provided our airlines with an infrastructure to code share or jointly market with European carriers.

Last week, we built on our efforts -- in a very big way. We reached an open skies agreement with Germany, which means 40 percent of Europe's aviation market is now wide open.

U.S. and German airlines can fly to each others' countries, and to third countries, without restrictions on the number of flights, their routings, or the prices they charge.

Our intention is to move next to Central Europe. We reached an agreement to phase in open skies with the Czech Republic, to liberalize operations to Ukraine, and we're working on the U.S.-Poland market.

But let me be candid: I am not happy with our aviation relationship with the United Kingdom. I find it inexcusable that two countries that believe so much in market economies, that believe in open trade, in competition, should have one of the most restrictive aviation agreements in the world.

I've been trying to encourage the British government to sit down with us, but the British like the restrictive agreement. It was signed many years ago. They have unlimited codesharing rights, they have access to the cities they want to have access to here, and they have all these other restrictions on our airlines.

But the world is made of free traders, not regulators. I say over time our friends in Britain will realize that flying through Heathrow may not be the only way to enter Europe. The direct consequence of our open skies policies is that you can enter through Amsterdam or Frankfurt or through other cities. The long-term result of the British approach, I say, could undercut Heathrow's status as the premier gateway.

Let me speak about the growing Asian market. Our airlines generate more revenue from Pacific routes than Atlantic routes. This is remarkable -- 15 years ago Atlantic routes generated twice the airline revenue of the Pacific.

Last fall, I visited several Asian countries. What I found is they understand the mutual benefits of opening markets. Their airlines are willing to compete on a

global scale. They are building airports, second to none (that's from someone who knows a little about building airports).

It is no surprise that of the 10 airports reporting the largest increase in passenger traffic last year, half were in Asia.

If we don't engage in this area, others will. So we have been working almost nonstop with our Asian partners.

We reached a breakthrough agreement with Hong Kong, after several years of negotiations. We reached a new agreement with the Philippines that has allowed Federal Express to set up a major cargo center in Subic Bay. We reached our first-ever agreement with Macau and its massive new airport complex, just south of China's border.

We reached agreements with India and the People's Republic of China. I am happy to report for the first time there will be non-stop service between the U.S. and China. Beginning in the spring, Northwest will fly between Detroit and Beijing.

Remember that I mentioned that Thailand had renounced our agreement. Well, after five years without an agreement, the U.S. and Thailand re-established a legal framework for operations and introduced new opportunities for service expansion.

And after almost three decades of no aviation links, I visited Vietnam last fall, to begin working to build a relationship. That is for the long term, but we have started the process.

As for Japan, our largest air market in terms of revenues, our airlines are competing well. This is one of the few areas of our trade with Japan, where we enjoy a trade surplus. My objective is to maintain an operating environment where our airlines can continue to gain.

We're engaged in cargo talks with Japan. I have been disappointed in the approach and tenor of the Japanese negotiators recently, but we will continue to seek a resolution that will advance both sides' interests.

Finally, I want to point briefly to some successes in South America. In particular, we've provided new opportunities in both the U.S.-Peru and the U.S.-Brazil markets, and I hope to continue to make more progress with Brazil next month.

And I will be going to Chile in April, to meet with transportation ministers from throughout the hemisphere.

All of these agreements -- in North America, in Europe, in Asia, in South America -- represent the largest effort to deregulate airline services since domestic deregulation 15 years ago.

If you ask me what is the most significant lesson I've learned as Secretary of Transportation in the last three years, it is this: when we open skies, like we did with Canada, the traveling public benefits -- tourists, business people, students and grandparents.

Jobs are created. Consumers reap better fares globally. Money is pumped into local economies.

I want to end by saying to all of you -- thank you. I value the efforts you have put into making these aviation agreements work.

And, I challenge other countries to look at what we have done, to see that opening markets is good for all. To be sure there is so much more we can, and will do. But we're on the right track.

For I've always believed that American companies, that American workers, can compete anywhere in the world if we are given the opportunity.

As the President always says: "let's compete, not retreat."

# # # #

An electronic version of this document can be obtained via the World Wide Web at:
http://www.dot.gov/affairs/index.htm

7.46

U.S. Department of Transportation

News:

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

STATEMENT BY U.S. TRANSPORTATION SECRETARY FEDERICO PEÑA INTERNATIONAL CIVIL AVIATION ORGANIZATION PRESS BRIEFING MONTREAL, CANADA MARCH 6, 1996

Today, I called on the International Civil Aviation Organization to immediately and fully investigate the brutal shoot down by the Government of Cuba of two unarmed American civil aircraft on February 24th. I urged that ICAO adopt a resolution deeply deploring these actions.

I expressed, in the strongest possible terms, the moral outrage of the United States.

The Cuban Government must face the scrutiny of the international aviation community for this brutal act -- indeed, the scrutiny of the entire world.

I documented how the Cuban action was a total disregard for the ICAO principle not to use weapons against civil aircraft in flight. Whenever one of ICAO's members does not comply with this principle, the safety of international air travel is jeopardized, and peoples' lives are put at stake.

The Cuban military pilots, who at the direction of their government shot down these planes, did so in wanton disregard for this principle.

They made no efforts to make radio contact with either aircraft. Indeed, they were intent on destroying them.

No efforts were made to approach or signal these planes to land. One of the pilots even stated that: if we give it a pass, it will complicate things.

No warning shots were fired. The Cuban MIG fighters simply located their targets, identified them as unarmed civil aircraft, and proceeded to destroy them. Their crude language made it clear: they considered their actions a show of brutal "machismo." In fact, it was murder in the skies.

- more -

The brutality of this crime was made worse by the fact that these planes were destroyed over international waters. I told the ICAO Council that there is evidence those planes were over international waters:

First, we have U.S. Customs radar showing the location of these aircraft.

Second, we have a formal statement from a Norwegian cruise ship captain, who happened to be in the vicinity and witnessed the event.

Third, we have formal statements from crew members on a U.S. fishing boat, who also witnessed the deed.

But it does not matter where these civil aircraft were. The Cuban action is contrary to international law, whether in Cuban airspace or over international water.

This firing on unarmed known civil aircraft can not be justified. In reaction to this event, the United Nations Security Council called for ICAO to investigate this incident in its entirety.

Today, I pledged the full cooperation of the United States.

One last point: The Helms-Burton bill has received much attention in Canada. And a number of you may have questions on this. But the purpose of my visit to Montreal is to discuss ICAO issues. Helmes-Burton is outside the scope of my visit.

I will limit my comment to this: President Clinton has agreed to support the version of the bill agreed to on February 28th by a House-Senate Conference. He recognized the need to take strong measures after the downing of the aircraft. We will be consulting with our trading partners, including Canada, on implementation issues.

# # # #

2.44

TALKING POINTS
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
WHITE HOUSE LEADERSHIP CONFERENCE
MARCH 7, 1996
GREENBELT, MARYLAND

Welcome participants.

Introduce:

- Dr. Ricardo Martinez, NHTSA Administrator

  Jim Hedlund, Assoc. Administrator for Traffic Safety Programs

- State goal of session - To discuss strategies to curb underage drinking and impaired driving and provide recommendations to the President.

- Participants introduce themselves

OVERVIEW OF PROBLEM

Chart 1.

- Good news.

- Youth Fatalities - Alcohol-related crashes have declined from 1982 to 1994.

- Non-alcohol related crashes increased over the same time period.

- Shows work to combat youth drunk driving is working but still we have a long way to go.

- The botton line is that we are still losing 2,300 children a year in the 15-20 age group due to alcohol-related crashes.

Chart 2

- More good news.

- Alcohol-Related Fatality Rates: Youth v. Adult - Rate per 100,000 population youth alcohol-related fatalities <u>have been cut in half</u> since 1982.

- Rate has now leveled off.

- Rate for youth is still higher than adult rate even though it is illegal for youth to drink. This shows that youth are still exhibiting high risk behavior in their driving.

Chart 3

- Yellow Flag.

- Alcohol Use by High School Seniors - Alcohol use among high school seniors increased in 1994 and new report shows increased again in 1995.

- The trend is up. The second baby boomer generation is expected to kick in . Big increases over the next ten years.

- Populaltion of 16-20 age group will increase by 13% by the year 2000 and another 5% by 2005

- We can project that youth fatalities will increase by approximately the same percentage. An additional 500 fatalites.

- We know that alcohol and drug use is increasing among youth. That in combination with the increase in population over the next 10 years make us believe that alcohol-related youth fatalities will increase.

- We need to redouble our efforts so that we do not lose the ground we have gained.

- Course corrections are not as dramatic when they are made when a vessel first goes off course. More is required when the trend is not checked.

- That is why we are here today. To discuss this issue.

-- Group Discussion - Goal is to give everyone an opportunity to speak. (60 minutes)

- Participants write down what they think is most important issue in the effort to curb underage drinking.

- Have each participant discuss what they wrote down as Jim Hedlund writes their idea on a flip chart.

  --Recommendations (50 minutes)

- Review ideas generated in group discussion. Each participant votes for the three issues they believe are most important to curb underage drinking. Recorder keeps score.

- Recorder will tally votes and identify top seven issues.

- Participants provided opportunity to further elaborate on the final recommendations.

CLOSING (5-10 minutes)

- Thank participants. A conference report will be sent to them that will include ideas and recommendations generated from all breakout sessions.

# # # #

U.S. Department of Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, March 1, 1996

CONTACT: Megan Moloney
202/366-5565

MEDIA ADVISORY

On Tuesday, March 5, 1996, Transportation Secretary Federico Peña will address the FAA's Commercial Aviation Forecast Conference in Washington. The annual, day-long event focuses on domestic and international air-traffic demands and activity of commercial carriers.

Secretary Peña is expected to discuss the results of the U.S./Canada bilateral aviation agreement signed a year ago, as well as the overall growth in air carrier passenger levels. The increasing number of passengers in 1995 boosted the U.S. and Canadian economies by $2.2 billion.

WHO: **Secretary of Transportation Federico Peña**

WHAT: **Address to the FAA's Commercial Aviation Forecast**

WHEN: **8:00 AM EST, Tuesday, March 5, 1996**

WHERE: **The Mayflower Hotel**
1127 Connecticut Avenue, NW

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7.44

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
OLYMPIC BUS PRESS EVENT WITH VICE PRESIDENT AL GORE
MARCH 27, 1996
WASHINGTON, D.C.

Now not all of you may know this, but Vice President Gore and I are becoming a kind of tag team for promoting our great transportation products and services.

Two weeks ago we unveiled America's first high-speed train -- the American Flyer. Today we're honoring our buses and the great teamwork of our many American transit agencies for the summer Olympics.

President Clinton has called on us to come together as a unified country whenever we face a common challenge and we need to achieve a common goal.

And today, it's the Atlanta Olympics, or more correctly America's Olympics.

And the person who has so successfully led the federal government's Olympic team is Vice President Gore.

Organizing for the Olympic Games is a herculean task. It takes years of careful planning and preparation. And it takes the kind of civic partnership we're recognizing today.

I don't believe we've ever seen this many transit agencies pitching in to help out one of their own. Fifty mass transit agencies throughout the country sending over 1,400 buses -- like the ones behind us -- to Atlanta. Unprecedented.

This is the kind of neighborly support America is known for, and the millions who attend the games will see it each time one of these buses goes by, showing its hometown colors.

I know Richard Simonetta -- who heads the Metropolitan Atlanta Rapid Transit Authority -- appreciates everything we're doing.

- more -

These buses will assure the smooth flow of hundreds of thousands of people as they move from place to place across some 800 square miles.

I want to recognize the four transit authorities here with us representing America's Olympic Bus Team -- Philadelphia's Southeastern Pennsylvania Transit Authority; Hampton, Virginia's Peninsula Transportation District Commission; Maryland Mass Transit Administration; and our local system, the Washington Metropolitan Area Transit Authority.

I also want to thank Gordon Linton, the head of my Federal Transit Administration, and Susan Schruth, FTA's regional administrator, who worked so hard pulling together the bus fleet, as well as Judith Burrell, who has coordinated our many Olympic contributions at the Transportation Department.

And Mr. Vice President, you're leading a winning team. It includes some of America's best drivers and mechanics, who had to compete like other Olympians to go to Atlanta.

Many of the buses in our Olympic fleet represent the best transit technology America has to offer. Many -- over 100 -- are friendly to the environment, powered by compressed natural gas or batteries. And all are accessible to the physically challenged.

And after the Olympic Games, some 200 of the buses will remain in Atlanta for the Paralympics in late August.

And the Olympic fleet will be directed by Atlanta's transit authority using "smart" technologies, like those you are using, Mr. Vice President, for your information superhighway.

I don't believe they'll be able to send you any E-mail from those buses! But riders will benefit because of fewer delays and less traffic congestion. And Atlanta benefits, too, because these technologies will remain as part of Atlanta's infrastructure, long after the Olympics are over.

Atlanta will become a model for a national program I call "Operation TimeSaver," a new initiative that encourages investment in smart transportation technologies so that one day, Americans will spend one week less commuting every year.

So, I can't think of a better person, than you, Mr. Vice President, to be with us honoring our Olympic Bus Team, and all the other people who have worked so hard preparing and training for the Games.

And I understand you, too, have been in training, Mr. Vice President, back on the basketball court, shooting hoops. And if you're not ready by Atlanta, maybe after four more years you can make the team for the Sydney (Australia) Summer Games!

# # # #

An electronic version of this document can be obtained via the World Wide Web at:
http://www.dot.gov/affairs/index.htm

FP -- Safe Communities Video
draft 1 -- 3/7/96 -- (by Scott)

Hello and welcome to this morning's kick-off event for our Safe Communities program.

Communities have been addressing traffic safety for a long time.

Each is unique with different problems and different ideas about how to solve them.

Urban areas may have significant pedestrian safety problems, while rural areas are concerned with speeding.

Most are concerned about drunk driving.

We have been very successful in reducing traffic fatalities and injuries over the years.

And we've done it through the good efforts of people like you, who care about safety ... who know how to form effective partnerships between the private and public sector to improve safety.

And that's what we're doing with the Safe Communities program, looking for new ways to form new partnerships to reduce injuries.

Why a new program?

For one, too many people are still being killed or injured in traffic ~~accidents~~ crashes.

Car crashes are the number one killer of our young people. A horrible human toll.

And injuries inflict a huge economic burden, born largely by local communities like yours.

Last year alone, the burden to society was $137 billion, much of it in Medicare and Medicaid payments.

So we must do more.

What can we do?

We can find new, creative solutions to reducing injuries and fatalities.

And I believe Safe Communities in every state are an excellent way to develop the new partnerships we need to find those solutions.

We know safety programs work best when designed and implemented at the local level, by people like you.

Speed limit enforcement, motorcycle helmet laws, and alcohol-related programs all work so well because of <u>local</u> involvement.

And they pay big dividends.

Every dollar spent on safety saves <u>nine</u> dollars in reduced medical and related costs.

So today I call on you to work with Dr. Martinez here in Washington.

Share with us your ideas.

Tell us what works best, and what doesn't.

Tell us how we might be able to do a better job.

But don't just tell us.

Talk to each other.

All of you work in the community, so share those experiences.

You hold the power to truly make a difference.

As your partners, we share your commitment to safety.

And I pledge all the resources of my department ~~has to offer to help you~~ ... especially in our field offices ~~which are sponsoring today's event.~~ to get the job done.

So, ~~Thank~~ you. for coming.

And I hope you have a productive meeting.

7.43

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
CELEBRATION OF FAA REFORMS
WASHINGTON, D.C.
MARCH 28, 1996

Thank you, David Hinson and Linda Daschle for your leadership. Thank you, Mr. Vice President, for championing our reforms on behalf of the President, and reminding all of us of the great work of public servants.

We're here for a big announcement. It's official: the new Federal Aviation Administration is prepared for the 21st century.

FAA has made the boldest, the most dramatic changes in a generation, and it starts right now.

Today is our take-off, and we're getting up to speed quickly to deliver our products.

I want the American people to know we're increasing safety, making flying more efficient, and saving millions of your tax dollars. I want the aviation industry to know we'll make your operations less costly, more timely, and safer. And I want FAA employees to know we're taking away the yoke of bureaucratic red tape, so you can maximize your skills and contributions.

It all starts with personnel changes. In the new FAA, it will take six weeks to hire an outside person, not seven months. It will take 30 days to hire someone from inside, not 90 days.

Hard to staff air traffic control centers will be things of the past. We'll have incentives for good performance -- just as industry does.

Gone are the crazy rules. The old FAA had 47,000 people, and 155,000 numbered job descriptions. I know all of you work hard, but three jobs for each one of you? Now, there will be 2,000 job descriptions.

- more -

And they will be short. I was told we found one in the system that was 28 pages long, for the job of a -- well, you guessed it -- a lawyer!

In the old FAA, if a person volunteered to move to another city and wanted to pay for it himself or herself, we'd say thanks for your offer -- but no. Now they can move, reducing our moving expenses, and making people happier, and getting the right people into the right jobs.

We're putting common sense back into the personnel system. That's what we're doing.

And the frustrations we've had in buying new technology will be history. We'll cut the time to acquire technology in half. We'll cut the costs by 20 percent. We'll do it by changing our culture -- by putting the responsibility in your hands.

I am happy to announce today our first three projects under these rules, which will save $200 million in the next three years.

First, a weather system that takes up-to-date information, and displays it in easy ways for air traffic controllers. They don't have to be a meteorologist to figure it out, but they'll have the same amount of information. So they'll be better able to re-route aircraft and avoid delays caused by weather. They'll get that equipment sooner.

Second, we'll replace a flight planning system used to help general aviation pilots. It is 15 years old, hard to maintain, and when we put the new system in, we'll do it 14 months sooner because of today's rules.

Third, we'll install a satellite-based system to improve air traffic management of transoceanic flights. It will save airlines time and fuel, which are a big part of their costs -- and it will be in place sooner as well.

The public may not know weather systems, from flight planning, from oceanic navigation. But they know if planes land safely. They know if they're delayed on runways. They know if fares go up. That is what today's reforms are all about.

From my first day on the job, I wanted to free you from the system that had you handcuffed.

In my first month, the President and I met airline and aerospace officials, created a special commission, which said: reform the FAA.

The Vice President, through the National Performance Review, said empower employees, give them modern tools.

I criss-crossed the country talking to your colleagues. I remember meeting an employee who was ecstatic because the technology we had just installed was only 18 months late, and I thought: what have we come to?

This is the country that makes two-thirds of all planes sold in the world. This is the country that carries 40 percent of all passengers. Why can't the world's premier aviation agency do better? How are we going to keep up with another 300 million passengers in 10 years?

I spent much time on the Hill trying to convince Congress. We didn't always agree how to fix FAA -- and they haven't agreed on finance reforms, yet -- but Congress put into law last year relief for two thirds of your problems.

You take stock of how special this agency is: we have a President and Vice President who have championed your cause; we have a Congress that has given you what no other agency has, relief from bureaucratic rules; and we have a flying public that counts on you, every minute.

What we're doing today is not a pilot test. It is not a lab. This is a change to maintain the FAA's world supremacy.

I've seen what you've been able to accomplish with obsolete rules and obsolete technology. Imagine what you'll be able to accomplish with the new FAA.

Congratulations for your good work. Thank you for your devotion to the FAA, and your love of this country.

# # # #

U.S. Department of Transportation

News:

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

REMARKS BY TRANSPORTATION SECRETARY FEDERICO PEÑA
63RD STREET-QUEENS CONNECTOR EVENT
QUEENS, NEW YORK
MARCH 25, 1996

As a Westerner, I always enjoy visiting the sights of New York. I thought I'd seen them all, until smack in the middle of Queens, I've found the closest looking thing to the Grand Canyon I've ever seen. What a view. And what a great project this is.

We all owe one big thank you to the construction workers who are building this -- on budget, and on schedule. Let's give them a round of applause!

President Clinton believes in these strategic investments in transportation. He's supported investment in transit.

Just last week, I announced our budget to Congress and I ask all the members to help. And this Queens Connector is putting people to work building something for the public good, something that will improve the lives of New Yorkers in a very real way in the 21st century.

Right now, the Queens Boulevard Line -- the E and F trains -- is the most overcrowded subway line in the country. No one has it worse. When people in Washington, or LA, or Houston complain about bumper-to-bumper commutes, at least they have a seat.

For a couple hundred thousand New Yorkers, they have to stand chest-to-chest, shoulder-to-shoulder, for 20 stations every day, every week.

And what happens as the economy keeps growing, and we add more jobs in the city, and we have more commuters, and we physically can't fit people in the doors anymore? What happens then?

Behind me -- that big hole --is one answer. When this 63rd Street connector is completed in the year 2001, it will increase the capacity of the E and F lines by one third. It will shorten the average commute for a New Yorker by half an hour a week.

I can think of a dozen things I could do if I had an extra half an hour a week. Play with my kids. Work out. Read a book. I know New Yorkers will appreciate the time.

We need to find every way possible to expand our transportation system -- here in New York, and indeed throughout the country. In the last three years, since President Clinton took office, more than 8 million new jobs have been created in our country. 200,000 in New York state.

All these people have to get to work. I will go down as the Transportation Secretary who had to find rides for 8 million new workers -- and counting. That is twice as many people as ride the subways and buses in New York everyday. Think about that.

So, this President, believes in investing in infrastructure. Working with Congress, he has invested more -- 11 percent a year more -- than in the early 1990s.

By the way, he also believes in balancing a budget. So while we've upsized our investments in America, I've cut the Department of Transportation by more than 10,000 people.

Let me illustrate some of our investments. Just in the last month, the President has committed to bring high speed trains to America for the first time, so Amtrak can carry passengers between New York and Boston in three hours, instead of four-and-a-half. There will be a new maintenance facility, as a result, not very far from here in the Sunnyside Yards.

He has committed to build 10 miles of rail transit in New Jersey, from Hoboken to Bayonne, so that New Jersey residents can finally have a north south line that will connect them to transfer points heading east into the city.

And last week, the President submitted to Congress a budget that in 1997 would increase operating assistance to transit authorities like the MTA, by 25 percent. That would help keep fares down in the future.

This year, the New York/New Jersey area received $60 million in assistance and the President has proposed increasing that to $80 million. It is up to Congress, they must approve it, but I plan to work with Senator D'Amato and the New York congressional delegation to get the money for New York.

So, my message is simple: the President and I are investing in transportation systems to take people to their jobs, quickly and safely.

Today, I'm delivering on that promise. This project costs a total of $645 million. Washington is paying half. And I've brought a check on our fifth payment of the bill, for $125 million.

The check was too big for the mail, so I'm delivering it -- personally.

# # # #

U.S. Department of Transportation

News:

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

CORRECTED ADVISORY

FOR IMMEDIATE RELEASE
Tuesday, March 26, 1996

CONTACT: Megan Moloney
202/366-5565

SATELLITE ADVISORY

Vice President Al Gore and Secretary of Transportation Federico Peña will highlight the Department of Transportation's transit assistance to the 1996 Centennial Olympic Games and the Atlanta Paralympic Games at a photo opportunity on Wednesday, March 27, 1996.

Transit agencies from throughout the United States will be participating in the Olympic bus program, providing more than 1,400 fully accessible vehicles to help with transportation in Atlanta during the summer games. Buses from Philadelphia, Baltimore, Washington and Hampton, VA will be on display at the event on Wednesday.

WHO: **Vice President Al Gore**
Secretary of Transportation Federico Peña

WHAT: **Brief remarks and photo opportunity highlighting transit assistance for Atlanta during the 1996 Centennial Olympic Games and the Atlanta Paralympic Games**

WHEN: **11:30 AM EST, Wednesday, March 27, 1996**

WHERE: **Washington Monument parking lot**
Off Constitution Ave., between 15th and 17th Streets
Washington, DC

NOTE: Excerpts from the event will be available by satellite on Wednesday from 3:30 to 3:45 PM EST at the following coordinates:

C Band, Galaxy 3R, Transponder 22 Vertical,
Downlink Frequency 4140 mHz, Audio 6.2/6.8

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U.S. Department of Transportation

News:

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

STATEMENT BY U.S. TRANSPORTATION SECRETARY FEDERICO PEÑA BEFORE THE COUNCIL OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION MONTREAL, CANADA MARCH 6, 1996

Mr. President, distinguished representatives of the Council:

I have come before you today to express, in the strongest possible terms, the moral outrage of the United States regarding the egregious and unjustified action which occurred on February 24, 1996. Four American lives were lost and two unarmed civil aircraft were shot from international skies in broad daylight.

This body is the overseer of the safe and orderly growth of international civil aviation. It is the body which develops and promulgates the standards and recommended practices governing international behavior in the field of international civil aviation safety. This body, above any other, stands for the rule of law and the preservation of the principles enshrined in the Chicago Convention. This is the body which, in the 25th extraordinary session of the ICAO Assembly, unanimously recognized the fundamental principle of international law that:

> "Every state must refrain from resorting to the use of weapons against civil aircraft in flight."

The facts will show that the Cuban Government has displayed a complete disregard for certain fundamental principles upon which this Organization was founded. On February 24, 1996, Cuban military fighters destroyed two U.S. registered civil aircraft flying outside of the territorial waters of Cuba over the high seas. The civil aircraft were being operated by a Cuban exile group called Brothers to the Rescue. The Cuban military pilot accurately identified the aircraft as civil aircraft before being given authority by a Cuban control agency to destroy them with air-to-air missiles. There were no warnings. There were no survivors.

- more -

In authorizing the pilot to shoot down these two unarmed civil aircraft, the Cuban Government acted in wanton disregard for international law and the standards established by this body and adopted by their own government. The transcripts of communications between these pilots and their base establish that they made no efforts to make radio contact with either aircraft. Indeed, they were intent on destroying them. No efforts were made to approach or signal these planes to land. One of the pilots even stated that: "if we give it a pass, it will complicate things." No warning shots were fired. The Cuban fighters simply located their targets, identified them as unarmed civil aircraft, and proceeded to destroy them with air-to-air missiles. From the crude language shown in the transcripts, we know that the MIG pilots claimed that they had taken the manhood of the civilian pilots; as if using air-to-air missiles against an unarmed aircraft was a show of machismo. In fact, it was murder in the skies.

This atrocity was not a failure of the international standards which ICAO has championed for over 50 years. Rather, it was the failure of the Cuban Government to follow international law and ICAO standards; the failure of the Cuban Government to follow internationally recognized procedures; and the failure of the Cuban Government to follow its own standards for aircraft interception. Even if procedures had been followed, the destruction of the two civil aircraft by the Cuban Government on February 24th cannot be justified.

Let me provide you with a clear and concise chronology of the events of February 24th which bring us here today.

At 9:28 a.m., Brothers to the Rescue filed six flight plans for a 10:15 departure. These flight plans, as is the normal case, were transmitted to the Cuban air traffic control. Three of these flight plans were amended for an afternoon flight. The other three flight plans were automatically canceled at 12:15 p.m.

Between 10:00 a.m. and 1:00 p.m., on that Saturday morning, Cuban fighter aircraft conducted air patrols in reaction to what they believed to be an incursion into their airspace. The Cuban aircraft returned to their base making no contact with any aircraft that morning.

At 1:13 p.m., three unarmed civil aircraft took off from Opa Locka Airfield in Florida in accordance with the amended flight plan.

At 2:56 p.m., the three civil aircraft contacted the Havana civilian air traffic control and informed them that they were crossing the 24th parallel--roughly midway between Florida and Cuba and still in international airspace. The Cuban air traffic controller provided the aircraft the customary warning given to aircraft operating south of the 24th parallel when the military warning areas there were

activated. The civilian aircraft made it clear that they were aware of the risks but had filed a flight plan in Florida to fly in that area. Their flight plan had been transmitted to the Cubans.

At 3:07 p.m., the three civil aircraft were operating south of the 24th parallel.

At 3:16 p.m., one MIG-23 and one MIG-29 were airborne.

At 3:19 p.m., the lead aircraft, a light blue plane, entered Cuban territorial airspace.

At 3:20 p.m., the MIG-29 reported to its military intercept control authority that it sighted a small white and blue aircraft flying at low altitude. The MIG pursued and clearly identified the aircraft as a small civil Cessna 337 aircraft. It had not entered Cuban territorial airspace. The MIG-29 pilot requested and received permission to destroy this aircraft. No warnings were given. The MIG-29 downed this aircraft with an air-to-air missile approximately five nautical miles north of Cuban airspace.

At 3:24 p.m., the MIG pilot noted that the third aircraft was in sight. This aircraft also was not in Cuban territorial airspace. He requested and received permission to destroy it, and reported it downed by an air-to-air missile. Once again, no warnings were given. This occurred approximately sixteen nautical miles north of Cuban territorial waters--again clearly outside of Cuban territory.

The lead aircraft returned safely to Miami without his brethren.

This chronology which I have just outlined is supported today by the evidence, and will, I am confident, be borne out by the unbiased investigation of this body.

The Cuban Government must face the scrutiny of the international aviation community for this brutal act of shooting down two unarmed civil aircraft. And the world's citizenry who benefit from the free and open use of the world's airspace deserve an explanation.

The Cuban Government may attempt to justify their brutal actions, but they cannot. Eleven days have passed since this unjustified act and yet the Cuban Government has not produced any credible evidence in this matter.

The Cuban Government has contacted the United States both formally and informally to ask for our cooperation in addressing alleged violations of Cuban airspace. They have received our cooperation consistent with our laws. The

United States is pursuing the legal process that has to be followed in such situations. Within that process, we have worked with the Cuban Government as recently as February 20th to obtain necessary evidence. We have taken action.

But we should not allow the Cuban Government to distract us with irrelevant assertions. Let me be clear--prior complaints cannot justify the Cuban Government's actions. Nor does it matter whether these civil aircraft were in Cuban airspace or over international waters. Even under the facts alleged by the Cuban Government, the Cuban action is a blatant violation of international law.

The crime is made all the more egregious by the fact that these planes were destroyed over international waters. We know this to be the case. How do we know? First, U.S. Customs radar shows the location of these aircraft. Second, we have a formal statement from a Norwegian cruise ship captain who happened to be in the vicinity and witnessed the event. His ship's position is documented by a signed navigation chart and the ship used its sophisticated Global Positioning System to pinpoint the downed aircraft's location relative to its own. Third, we have formal statements from crew members on a U.S. fishing boat that also witnessed the deed. Look at the map before you. The aircraft were hit and fell in international waters.

In the simplest terms, this firing on unarmed, known civil aircraft can never be justified. In reaction to this event, the United Nations Security Council has called upon ICAO to investigate this incident in its entirety.

Believing that an impartial, international investigation of the incident is required, and in concert with the statement issued by the President of the United Nations Security Council strongly deploring this act, we are introducing a resolution today that calls for a full investigation by the International Civil Aviation Organization. We ask that ICAO investigate this incident to make clear where the responsibility for this tragedy lies.

As the U.N. Security Council President stated, it is imperative that all parties cooperate fully in the investigation. The United States pledges its full cooperation. All available materials will be provided to the duly constituted investigation team. We call upon other States to do the same.

In closing, let me touch upon the human tragedy witnessed on Saturday, February 24th. I am sure you join with me in expressing our deepest sympathy to the families bereaved in this tragic incident. But more is required of all of us.

International law and common decency require that the Cuban Government pay appropriate compensation to the families of the victims. I recognize that money alone will not assuage the grief felt by the families, but it is the very least

that can be done. A more lasting memorial to the lives lost on February 24th is embodied in the challenge before you today.

That challenge is a reaffirmation of the fundamental principles of international civil aviation. The Chicago Convention ranks as one of the most constructive and successful international agreements of the post-war period. It was achieved because the delegates shared a common vision and a willingness to work together. The Chicago Convention has remained the keystone for international aviation for over 50 years and stands for the proposition that all states must refrain from the use of weapons against civil aircraft in flight. ICAO has an obligation to act so as to defend this principle.

Whenever one of ICAO's member States does not comply with the annexes and knowingly places civil aircraft in grave danger, the aims and objectives of the Chicago Convention are undermined and the safety of international air navigation is jeopardized. I urge you on behalf of the United States to adopt this resolution strongly deploring these actions and calling for an immediate investigation of this tragedy.

# # # #

2.36

TALKING POINTS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MEETING WITH TRANSPORTATION FINANCIAL EXPERTS
NEW YORK CITY, NEW YORK
MARCH 25, 1996

Hello everybody. Good to be here.

Before we get started with our discussion, I want to take a few minutes to tell you about our two-part strategy for helping the economy grow by making our transportation system stronger and more competitive.

-- One, keeping our industries healthy and competitive.

-- Two, investing in American infrastructure.

HEALTHY INDUSTRIES.

Transportation is one of the strongest sectors of the economy.

President and I worked hard to make this happen. Cut deficit in half ... will balance budget in 7 years ... downsized DOT by over 10,000 people, more reductions to come (by end of FY97 -- about 11,000) ... worked with airline industry, others to make them more competitive and profitable.

RESULTS:

Jobs. Created over 400,000 in transportation sector. (One of my bigger problems is finding rides for the 8 mln new workers since Clinton!)

Business. Probably don't need to remind any of you -- DJ index of 20 top transportation stocks up over 10% this year, nearly 40% in last 12 months.

EXAMPLES:

Airlines. Major carriers lost $12 bln in 4 years. Now record profits, $2 bln last year. Good outlook for 1996.

-- And we're prying open foreign markets, like new air accord with Canada (which generated $2 bln in new economic activity in the first year), Europe (just opened German skies), and Asia.

Aerospace. Healthy airline industry means more orders for new planes. Manufacturers hiring thousands more workers to fill orders. Strong overseas demand, too.

-- Trade advocacy. (Helped close $10 bln worth of orders with Saudi Arabia and Taiwan.)

MORE TO COME:

GPS. Will create a whole new industry with private sector use of military global positioning satellites. Will change the whole way people travel when guided by satellite.

High-speed rail. Stands for a new era, for a new future in transportation. Creates jobs and introduces new technology to America.

Second strategy is increased investment in infrastructure.

When we came into office, President Clinton boosted infrastructure investment by 11 percent ... averaging some $2 billion a year more ... and supplemented it with new, creative financing techniques. (Similar level -- $26 bln -- for FY 1997 budget sent to Congress last week.)

For example, I'm here in New York to invest in the Queens Connector.

But in this era of tight government budgets, we can no longer afford a monopoly. So, we've been forming partnerships with the private sector ... tapping private investment ... working with financial experts like you.

INNOVATIVE FINANCING:

Many of you are familiar with what we've been doing in the way of innovatively financed projects. Some of you have worked on these projects.

To date: 75 projects in 35 states ... total value $4 bln. (E.g. -- Arizona fiber optics; toll road projects in California, Virginia.) ... economy benefits sooner because projects come on line two to five years sooner than under traditional state/federal financing.

Cultural change: There's been a major sea change in the way of thinking at transport agencies. No long rely on just federal money ("grant reimbursements").

-- We're taking a multiple strategies approach, like you take in the private sector, to financing projects.

(e.g. new approach -- setting up 10 State Infrastructure Banks. 15 states applied, winners to be announced soon.. An important new tool to leverage much more in total investment from federal funds. Asking Congress for $250 mln in seed capital.)

CONCLUSION:

Now I want to hear from you. Where do we go from here?

ISTEA. We're starting to think about how to improve the program when ISTEA comes up for renewal next year.

-- Want to keep the local focus, flexibility. But how can we improve it?

-- Section 1012 for state loans, which I know may be of interest to some of you. My field staff **(Note: according to Jane Garvey)** tell me these provisions could be made stronger.

-- What about federal loans? What can we do to create more projects like the critical Alameda Corridor in Southern California?

# # # #

7.36

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
PRESS CONFERENCE WITH AIR TRAFFIC CONTROLLERS
WESTBURY, NEW YORK
APRIL 1, 1996

Today, I have two important announcements.

First, I am delighted to announce that 800 New York air traffic personnel will receive a 10 percent pay raise -- a total of $7.5 million. Seven percent will be effective starting April 14th. The remaining 3 percent will be effective in mid-October.

The management of this facility told me they cannot attract and retain quality people, because of pay. We heard them. They were right.

Employees receiving the raise are technicians, air traffic controllers, flight service data processing specialists, and facility technical staff and managers here at the New York TRACON, and at the New York Center in Ronkonkoma.

These two facilities are among seven around the country where similar increases will be given. In all, 2,200 personnel will receive an increase.

I want to say something about these New Yorkers. The air space they control is some of the busiest in the country, and it is in a confined, small area with planes criss-crossing all the time, which makes their operations all the more difficult. But they handle thousands of fights everyday -- safely. They go the extra mile for the American people every minute, every hour, every day. The American people appreciate that.

This has long been considered a hard to staff operation; now we hope to attract top-quality candidates here and make it easier to staff.

- more -

I am able to make this announcement because starting today, we have new personnel rules governing the Federal Aviation Administration. They provide the flexibility to make adjustments, to address the realities of the workplace, something we could not do before.

We have cut personnel regulations from more than 1,000 pages to a 41-page manual. Before it took seven months, on average, to hire an outside person. Now, it will take six weeks. Before it took on average 90 days to hire someone from within; now it will take 30.

Gone are the crazy rules. The FAA has 47,000 people, and 155,000 numbered job descriptions. Now, there will be 2,000 descriptions. And as we reclassify, we will make the whole system fairer for all, so everyone will have the tools they need to operate the safest air traffic system in the world.

My second announcement is that we are speeding up, by 10 months, the delivery to the New York Center of an important technology, a display computer that controllers use. It will be delivered in October.

Last summer there were a number of outages around the country, and the piece of equipment that was the culprit was a 1960s box, which converts the computer data into data suitable for presentation on controllers' displays.

The technology to replace it will be here sooner, and after it is tested, and we make sure it works correctly, it will be up and operational. And we will do the same speeding up process at four other sites around the country.

We're not only changing our personnel rules, today we're changing our acquisition rules. Our goal is to acquire technology in half the time it has taken us before, and do it at 20 percent less cost.

When President Clinton came into office, we inherited a system that was obsolete. The airline and aerospace industry, and labor, told us to catch up.

Vice President Gore in his re-invention effort made reforming FAA a priority.

I visited many employees, like I am doing today in New York and tomorrow in Chicago -- and I always took the press in with me, so the American people could see what we faced.

I also worked with Congress, who gave us relief from bureaucratic rules, something no other agency has.

So, here we are. Taking the first steps, a pay increase and speeding up the delivery of important technology. And there will be many, many more steps. We're going to keep you reporters busy.

And I want to thank the unions, especially, for being an outstanding partner in this reform.

# # # #

7.42

TALKING POINTS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
U.S. COAST GUARD "THE DYNAMIC OF TRANSPORTATION"
MARCH 28, 1996
WASHINGTON, D.C.

Good to be here. Welcome to Washington.

Let me give you a brief run down of my agenda, and then we can open it up for discussion and questions.

- The economy is at the top of the list. 8.4 mln new jobs since President Clinton took office. Economic growth to average about 2.2% this year. Inflation and interest rates at lowest levels in many years. Deficit cut in half. President's fiscal plan to balance the budget in 7 years.
- Transportation sector: over 400,000 new jobs; industries healthy; infrastructure investment averaging nearly $26 bln -- or 11% more a year -- than in the early 1990s or $2 bln more a year.
- Within the department, downsized by over 10,000 so far, 11,000 within next fiscal year. Reforming FAA and modernizing equipment are top issues; just came from announcing personnel and acquisition reforms. Working on highway safety, fatalities are beginning to go up so want to do more. In the trade area, been negotiating what we call "Open Skies" agreements that create economic activity and jobs. (Canada, Germany, Asia.) Beginning to prepare for renewal of the highway bill -- ISTEA.
- Coast Guard is doing a terrific job, thank you for the great work, especially your streamlining plan (saves $400 mln by '98, reduces workforce by 4,000). Know it's not easy to downsize. But in your great can-do tradition, you took on the challenge -- doing more with less.

  Accomplishments --
  - ▶ Understand you just finished your cruise ship safety review and the results are outstanding: no loss of life from an accident in 10 years. A record attributable to your excellent safety inspection program. Congratulations.!
  - ▶ Speaking of safety, visited Rhode Island oil spill in late January -- great, heroic effort.
  - ▶ GPS -- launched this vital navigational program on January 30. Tomorrow with Vice President Gore, I'll be announcing private use policy statement, and highlighting your GPS efforts.
  - ▶ Drug interdiction. Your job is increasingly important; we're asked Congress to add $6 mln to your budget.
  - ▶ Protecting the borders. Great work in Cuba. Now, coping with tide of people coming from the Dominican Republic.
- So, thank you for inviting me. Questions?

# # # #

7.42

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
AMERICAN PUBLIC TRANSIT ASSOCIATION
MARCH 11, 1996
WASHINGTON, D.C.

For the past three years we've had a close and productive working partnership. It's no accident. All of you know we've been led by a very pro-transit President, unlike some anti-transit administrations of years past.

I'm here to tell you Bill Clinton is unwavering in his support for transit and the challenges you face everyday in your communities. He knows that traffic congestion, the environment, economic opportunity and development are among the critical issues affecting the quality of life of every American.

These are issues we're tackling head on.

As a former mayor and state legislator, I've learned the difference between a President who's concerned about transit and one who is indifferent.

So, when I came to Washington, I recruited people who knew transit. People like Mort Downey, my deputy, and Gordon Linton, the FTA administrator, Grace Crunican, his deputy.

They are part of the picture. But the really key players are you -- the system managers, board members, transportation commissioners, and all the other elected officials here. You hold the power to improve -- in very meaningful ways -- the lives of the Americans you serve.

And together we've been very successful.

Just look at the economy, and how you have contributed to this recovery.

Despite some rhetoric from certain quarters, the fact is, the economy is growing, by about 2 percent a year.

The President announced Friday that we've created over 8 million jobs in America. He had promised 8 million jobs in four years, but he delivered in three!

These are good jobs, many in our basic industries, such as construction and autos. Jobs with a future. And in our industry, transportation, over 400,000 new jobs in three years have been created.

America has the lowest combined rate of inflation and unemployment in 27 years. Home ownership -- every American's dream -- is at its highest level in 15 years. The President cut the federal deficit in half.

Did you know we've created the most small businesses in our history? Well, it's true. And many of them are near transit stations.

Transit isn't just about moving people. Not anymore. It's about economic development and creating economic opportunity.

I was in San Francisco several weeks ago. I was with Dan Richard (BART's board president) and Tom Huening (SamsTran Chairman). We dedicated the new Colma Station for the BART system. You could see how much BART has contributed to the economy.

BART was the big reason Market Street was restored. It also is a big reason behind much of the economic activity in the Bay Area.

And when the system is fully finished, it will be part of a much broader vision for making the Bay Area a West Coast gateway to the Pacific Rim.

And global competition is the future, America's future. But I don't have to look as far as California. I can look right outside my office window, where I have a marvelous view of Washington's great Metro system. Listen to these estimates for Northern Virginia alone: $2.1 billion in tax revenue by 2010, and 91,000 new jobs.

In Portland, the light rail system the region is developing is expected to generate $800 million in new economic activity.

All this means more jobs, more small businesses, a better quality of life.

Whether it's the comeback of our airlines or the improvement of our transit systems, it's clear that our great transportation industries are making a significant contribution to the economy.

You're creating jobs. You're building neighborhoods, making them more livable. You're the driving force behind the urban renaissance we're seeing in many cities. And you're making the environment cleaner.

And who's leading the way? Transit.

There's Rick Simotetta from Atlanta. We've been doing everything we can to make MARTA ready to serve the millions of people who will visit during the Olympics.

We're investing $16 million in Atlanta's transit systems to make the Olympics a world-class event we'll all be proud of. And much of that investment will remain in place as part of the city's permanent infrastructure -- on top of the $41 million we're investing in Atlanta's new rail system.

I want to thank all the transit systems across the country for donating the 1,500 buses Rick will use for the Olympics. That's teamwork!!

There's my former colleague, Ed Colby, who's doing a great job running the world-class transit system in Miami, one of our many emerging international cities. Ed, it's been great working with you on completing that extension to the Metromover System.

And you can't overlook the invaluable role transit plays during an emergency. Like the 1994 Northridge earthquake in southern California. It was the Los Angeles' transit system that came to the rescue when the highways were blocked by debris and literally cut in half.

Our great American metropolitan areas -- Chicago, New York, San Francisco, Philadelphia, Dallas -- all compete aggressively in the global marketplace. These transit-intensive cities are home to nearly half of all Fortune 500 companies, with $2 trillion in revenues.

People who live and work in those cities need quality mass transit to effectively compete in the global economy.

These are the reasons President Clinton has fought long and hard in support of mass transit. Each and every one of you knows that.

Because of his commitment, and despite some opposition on Capitol Hill, we're making unprecedented federal investments. In each of his first three budgets, President Clinton recommended three of the largest transit budgets ever -- over $4 billion.

Congress supported two of the three budget requests. You can guess which Congress didn't back our budget! Now on top of that $4 billion, I've encouraged states to take advantage of the flexible rules under ISTEA, to shift more investment into transit. To date, that's another $2 billion.

Several weeks ago the mayors from across the country were in Washington. President Clinton met them at the White House. Atlanta Mayor Campbell -- who will be speaking in a few minutes -- he was there. I was proud to be there, too.

During our meeting the President pledged to continue investing in our urban and rural infrastructure.

And, today, the President is making good on his promise.

I'm happy to announce that in the budget he will send to Congress next week, the President will propose in transit operating assistance in fiscal 1997 -- $500 million, that's a $100 million increase over this year. It fulfills a promise I made to you last year. I'm sure there will be some in Congress who will try to zero this out or substantially cut our request. But I pledge to work aggressively and tirelessly with you to prevent that from happening.

Why fight so hard?

I was reminded why just the other day when I heard from one of my staff about how his 84-year old father depended on local county van service to take him to and from the doctor's office.

There are millions of Americans like him. And without operating assistance, vital transit services would be shut down instantly.

I don't think it's fair to reduce assistance when transit authorities are struggling to meet federal mandates for clean air, drug testing, and the Americans With Disabilities Act.

Now I can't get into many more of the 1997 budget details. But I can say we'll be requesting more for transit in 1997 than this year. And we want more for new projects.

None of these projects would ever get off the ground without the President's commitment. And without these projects, our economy would be less competitive and our cities less able to lead us into the 21st century.

Take Salt Lake City, where we're using a $312 million full funding grant to help finance a rail project connecting downtown and the suburbs south of town. This will be an anchor for the region as it begins preparing for the Winter Olympics in 2002.

In Portland, we're investing in a $900 million light rail project linking downtown to the western suburb of Hillsboro. Such transit extensions are revitalizing Portland, transforming the downtown into a cultural and economic magnet.

In St. Louis, where President Clinton and I rode the rail system just two years ago, ridership has exceeded all expectations.

Last year we launched a dozen new projects such as these with full-funding grants. That's an excellent foundation. And I hope to build on it soon with a number of new, very innovative and strategic projects we're reviewing right now.

I expect a decision soon, so stayed tuned.

Why keep investing more in transit?

Well, you know why. So do the 10 million customers you serve every day.

Transit is convenient. It's affordable. It makes our communities more livable.

We just finished a survey of all 33 urbanized areas of the country with over one million people. We asked the Metropolitan Planning Organizations about their long range forecasts.

Here's what they told us. First, they are expecting their mass transit systems to grow by 2.4 percent a year, based on increasing demand. That's triple the rate of a decade ago.

This shows that over the next two decades local governments, which know their transportation systems best, see a much bigger role for transit.

And I salute them for that decision.

They know transit reduces traffic congestion. And that saves money, $15 billion a year.

Federal Express and United Parcel Service, for example, say they lose $40 million a year for every five minute increase in traffic congestion. Billions more are saved in our big cities every year when people use mass transit instead of cars.

I know from my days in Denver transit is good for the environment.

It's making the world a cleaner place to live, which the President is urging, and which I believe the American people want.

If all the people who rode transit in the country instead took cars, we'd spew hundreds of millions of pounds of pollutants into the air. And we'd have enough cars to form a line, bumper-to-bumper that would circle the planet.

In addition to investing more funds in transit, we're more innovative and entrepreneurial in government. The FTA is becoming responsive and flexible.

In his State of the Union, the President said the "era of big government is over." That we must be as nimble as the private sector to carry us forward into the 21st century.

In the four years prior to my taking office, the last Administration added 10,000 employees to the Transportation Department. Since taking office, I've downsized by 10,000!

Despite the downsizing we're investing 8 percent more -- about $28 billion -- in America's infrastructure.

Here's how we're more entrepreneurial. We've done away with 13 percent of our regulations -- rules we don't need, and probably never should have had.

Here's one that will make you happy.

As many of you know, we won approval in this year's Transportation appropriations bill to liberalize the way federal capital assistance can be used for overhauling buses.

Today, I'm announcing FTA guidelines to implement this new provision -- and wait until you hear what Gordon Linton and his people have done!

While the law focuses on bus overhauls, we're using our authority to apply the new provision to all kinds of transit vehicles -- buses, subway trains, light rail cars, the whole works.

Second, there won't be any complicated technical procedures for defining what an overhaul is or isn't.

We're simply saying that 20 percent of your total vehicle maintenance costs can be counted as overhaul work, and funded with FTA capital assistance at an 80:20 ratio. Period.

No complex rules for determining whether repairs are overhauls or simply routine maintenance.

In addition, we must be forward-looking in developing new transit technologies, if we are to stay competitive.

I know, for example, some of you will be meeting with Mort Downey and Gordon Linton this afternoon to talk about the so-called "Stealth Bus." This space-age, Advanced Technology Transit Bus is one of the most significant transit research projects we've ever undertaken.

We're going to need a newly designed bus to replace the 55,000 buses now in service, and I believe we should be using the most advanced designs for lighter, more fuel efficient buses for the future.

But we must be more entrepreneurial.

Increasingly, we must look to the private sector to leverage the federal dollar. And we've been doing that by creatively financing transit projects.

We asked for your input, and boy, did we get it. Sixty-seven projects in 32 states worth a total of $4 billion.

Well, so far we've selected 7 projects as models. One, is in Arkansas where we're providing seed capital and changing the rules so local officials can set up a revolving fund to lease 125 vans for rural transportation.

And speaking of good ideas and good government, let me say how committed the President and I are to keeping control over federal transportation programs where it should be: at the local level.

In that spirit, as we prepare for reauthorizing ISTEA, my department will conduct hearings later this year in every region of the country.

We want to know what works, and what isn't working. We want to know how the law can be improved. How it can be made more flexible.

We also want to continue leveling the playing field so that highway and transit projects are selected on their merits, not because they happen to fall into a fixed project category.

We want to make certain our transit investments continue to meet local needs -- especially in these times of tight budgets.

So we need to maintain -- even expand -- the coalitions that gave us ISTEA. We must work together. We must have a productive dialogue. And we must generate broad support for transportation.

Good government is about good decision making. And good decisions are made by those closest to the situation, by locally elected officials, like many of you who are on the front lines.

That's the way President Clinton and I want to keep it when we renew ISTEA.

So let me end by saying again how much I've enjoyed working with you.

I ask that we continue working together to keep the economy strong and growing. To keep finding ways of governing better, to promote safe and secure transportation systems for hundreds of millions of Americans who use them.

These are great opportunities. These are formidable challenges.

But as the President has said: every time our nation has faced great challenges, and we worked together as one unified nation, we have succeeded!

Given the talent, energy, creativity and love of country that I see here -- we're ready for that challenge.

Thank you.

# # #

2441

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
GLOBAL POSITIONING SYSTEM ANNOUNCEMENT
MARCH 29, 1996
WASHINGTON, D.C.

Mr. Vice President, on behalf of the transportation industry, which will be the biggest users of the Global Positioning System (GPS), I want to thank you.

And I want to thank Defense Secretary Perry, and Under Secretary Kaminski, and Air Force Secretary Widnall for the outstanding cooperation between our Departments. I also want to acknowledge the late Secretary Aspin. I first met with Secretary Aspin early in 1993, and he was instrumental in starting all of this.

It is a good time to be in the transportation business in this country. Our companies are the healthiest they've been in decades; and with today's policy directive, they will change the way Americans travel for decades to come.

Not knowing with certainty whether they'd have GPS, the American transportation industry forged ahead, anyway, investing millions in product development.

Why? Because they foresaw the benefits, the profound effects GPS will have on everyday life. On saving people time. On cutting costs. On giving people mobility, that they never had before.

Take my watch. One day, a watch may be able to speak its location. It will tell me: "You're standing at 1600 Pennsylvania Ave." Think about the implication that might have for blind persons, who will know where they are, and if they need to turn right or left. Here in the audience is Mike May, an inventor who wants to make this happen.

Today, not many Americans know what GPS is. Five years from now, they won't know how they ever lived without it.

- more -

GPS may change the way we live more than cellular phones, or fax machines, or copier machines have. Just as automobile and electricity forever changed the way future generations lived, so will GPS.

I recently announced a national goal that 75 of our largest metropolitan areas will have high-tech highways in 10 years. This is to relieve congestion, and save commuters time. Today's announcement will help us get there.

Because now that we have a stable, assured national policy, American entrepreneurs can stretch their imagination. Nobody knows the real potential in a generation. But as the Vice President said the GPS industry could be an $8 billion industry by the year 2000. But the industry is already here because today you can go to your local K-Mart and buy a GPS receiver.

In January, I turned on a Coast Guard System that allows ships and boats with GPS receivers to navigate their way into America's harbors more accurately, more safely, more efficiently.

Already, 175,000 recreational boats and 100,000 commercial vessels have GPS receivers. It should cut the number of navigational-related accidents in half.

The Coast Guard is using GPS to position buoys -- which is cutting 90 percent off the time it takes to do the job.

Recently, the Coast Guard used GPS in Prince William Sound Alaska to detect a tanker in trouble in a storm, averting a potential disaster.

There are 60,000 buses in this country, and roughly 11,000 now or will soon have GPS receivers in them.

So a control center will know the bus locations, and monitor their movements, and adjust schedules accordingly.

Trucking companies are using GPS to monitor their fleets, and decrease costs.

Emergency services are a growing market, because GPS can provide a precise route to get to a sick patient. In San Francisco, one company cut its emergency response time to three minutes using GPS.

GPS will be used to automatically dispatch emergency medical helicopters to an accident. Say you've had a car accident, you're unconscious, so obviously you can't make a call for help. But using a device attached to a car's air bag and cellular phone, GPS will instantly transmit the location to the local 911 facility. They'll find you.

Police dispatchers are using GPS to identify police cars closest to an incident. No more "Car 54 Where Are You?"

The Federal Aviation Administration, under David Hinson's leadership, is developing a system so that GPS will guide how planes take off, fly, and land -- replacing ground-based navigation that has been around since the 1940s. Last March we told the International Civil Aviation Organization that we would make our system free to the aviation world.

Plane trips will be shorter ... they will be more direct routes, saving time, fuel, and money ... and the flying public will see fewer delays.

Also, planes will have better access to thousands of more airports during varying weather conditions.

There is a bright future to apply GPS in the railroad industry to improve both safety and productivity. Control centers could monitor the exact location of locomotives. So ultimately, all types of trains -- freight, passenger, and commuter rail -- could run closer together, at higher speeds, and still be safe.

The railroad companies and the Federal Railroad Administration are pursuing pilot projects -- in the Pacific Northwest, Michigan, and Illinois -- to incorporate the automatic location ability of GPS into advanced train control systems.

Automobiles will be the largest market for GPS. General Motors and Ford Motor Company have done major work in the area. In fact, they have a mini car show for us on the North Portico.

The dashboard will help you navigate. I can remember when I first moved to Washington, my little girl got sick, and we needed to take her to the hospital, and I didn't know how to get there. I could have used this.

It is especially helpful when people are in rental cars on vacation. For example, if you want to go to Disney World, it tells you to turn left at the interstate. It might even save a few arguments between spouses on where to turn when you're lost.

In construction, GPS allows for precision excavation, on major projects -- including building a highway.

So, let me end with the point I made earlier. Not many people may know of GPS now; but five years from now we'll wonder how did we ever live with out it.

Thank you very much.

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Updated

U.S. Department of Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, March 12, 1996

CONTACT: Megan Moloney
202/366-5565

MEDIA ADVISORY

White House Chief of Staff Leon Panetta, Secretary of Transportation Federico Peña and Federal Transit Administrator Gordon Linton will announce President Clinton's intent to enter into full funding agreements worth approximately $2 billion for new transit and light rail projects in six major U.S. cities. Part of the FY '97 budget, these "new start" projects mean a significant new investment in transportation infrastructure, particularly in light rail mass transit, and would not be possible without federal funding.

Secretary Peña will announce the President's intent to fund projects in Denver, Jersey City, Sacramento, San Francisco and St. Louis, with final approval for the projects subject to environmental studies and congressional authorization. Peña will announce final approval for San Juan, Puerto Rico's Tren Urbano project.

WHO: **White House Chief of Staff Leon Panetta**
Secretary of Transportation Federico Peña
FTA Administrator Gordon Linton
Local officials and transit agency representatives

WHAT: **Announcement of President Clinton's intent to fund new transit systems for Denver, Jersey City, Sacramento, San Francisco and St. Louis and final approval for San Juan, Puerto Rico**

WHEN: **9:00 AM EST, Wednesday, March 13, 1996**

WHERE: **Old Executive Office Building**
17th and Pennsylvania Avenues
Washington, DC

NOTE: Excerpts from the Secretary's announcement will be available via satellite from 3:00 - 3:30 PM EST at the following coordinates: **C-band: Galaxy 3R, Transponder 15, Downlink Frequency 4000 mHz, Audio 6.2/6.8**

ALL Press without White House credentials wishing to cover this event on site must RSVP to the White House Office of Media Affairs by 6:00 PM EST, Tuesday, March 12 at 202/456-7150. Any additional questions should be directed to Secretary Peña's public affairs office at 202/366-5565. Press covering the event should arrive at the northwest gate on Pennsylvania Avenue by 8:30 AM Wednesday morning to gain admittance to the site.

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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
Friday, March 29, 1996

CONTACT: Leslie Lillard
202/366-4570

MEDIA ADVISORY

Secretary of Transportation Federico Peña on Monday will announce a pay increase for air traffic controllers and technicians at two FAA facilities in the New York area as an example of swift changes the Federal Aviation Administration now has the authority to make under new, common-sense reforms that go into effect April 1, 1996.

Secretary Peña and Vice President Al Gore last week announced major reforms to free the FAA of overly bureaucratic red tape which delayed pay increases, hiring and promotion of staff and the installation of equipment at its facilities.

WHO: **Secretary of Transportation Federico Peña**
Barry Krasner, National Air Traffic Controllers Association
Jack Johnson, Professional Airways Systems Specialists

WHAT: **Press conference to announce pay increases for air traffic controllers and technicians, made possible by FAA reforms in personnel and equipment acquisition.**

WHEN: **1:45pm Monday, April 1, 1996**

WHERE: **Main Conference Room**
New York TRACON
1515 Stewart Avenue
Westbury, NY

Directions to the New York TRACON:

FROM LAGUARDIA AIRPORT: Grand Central Parkway (eastbound) becomes Northern State Parkway to Meadowbrook Parkway (south) to Stewart Avenue Exit M3W. Turn left at first traffic light (Stewart Ave.)

FROM KENNEDY AIRPORT: Belt Parkway (east) - Long Island. Cross Island Parkway north to Southern State Parkway (east). Southern State Exit 22N Meadowbrook Parkway (north) to Exit M3W Stewart Avenue. Turn left at first traffic light (Stewart Avenue.)

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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
Thursday, March 28, 1996

CONTACT: Megan Moloney
202/366-5565

MEDIA ADVISORY

Vice President Al Gore and Secretary of Transportation Federico Peña will announce a directive from President Clinton for the commercial use of the Global Positioning System (GPS) in a White House briefing Friday, March 29.

Civilian and commercial use of GPS will usher in a new era in transportation, commerce and communication, giving Americans new technology for travel and making the transportation system and the flow of commerce more efficient.

WHO:	**Vice President Al Gore** **Secretary of Transportation Federico Peña** **Undersecretary of Defense Paul Kaminski** **Air Force Secretary Sheila Widnall**
WHAT:	**Announcement of the Presidential Decision Directive for the use of the Global Positioning System**
WHEN:	**10:15 AM EST, Friday, March 29, 1996**
WHERE:	**Room 450, Old Executive Office Building** **17th and Pennsylvania Avenues** **Washington, DC**

Press should **fax** clearance information (date of birth, social security number and name as it is provided on a photo ID) to the Office of Science and Technology Policy at 202/456-6019. Reporters will enter the complex by way of the Northwest Appointments Gate on Pennsylvania Avenue, and will be escorted from the press lobby of the West Wing to the Old Executive Office Building. Reporters should be at the Northwest Gate no later than 9:45 AM to be certain of attendance. Any additional questions should be directed to Secretary Peña's public affairs office at 202/366-5565.

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7-40

U.S. Department of Transportation

News:

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

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
ANNOUNCEMENT OF NEW TRANSIT GRANTS
THE WHITE HOUSE
MARCH 13, 1996

This is a very proud moment for me, as I know it is for everyone in this room today.

These six projects we're proposing demonstrate just how committed the President is to growing our economy and it begins at the local level.

He is unwavering in his support for mass transit and the challenges each of you face everyday in your communities. He knows that traffic congestion, the environment, economic opportunity and development are among the critical issues that affect the quality of life of every American.

Now before I announce the projects, I want to congratulate the really key players in transit and our local communities. You.

Everyone here -- the mayors, county executives, transit managers and board members, transportation commissioners, and all the other elected officials who work on transit issues. You are the ones who hold the power to improve -- in very meaningful ways - - the lives of the Americans you serve.

And you've been very successful! Today's project awards are the proof of that. I salute you!

Now, let me tell you about each of these strategic investments.

The total for these projects is about $3.4 billion. And when the President sends his new budget to Congress next week, we'll be requesting the first installment on $2 billion in full-funding grants for all six projects. That means we're committed to working with Congress to make these projects a reality.

Northern New Jersey -- $515 million project

It's a 10-mile rail extension that will run along the west bank of the Hudson River from Jersey City, to Hoboken, and Bayonne. Eventually they hope to have a 20-mile system. Some 100,000 people a day will ride it.

I remember the grand design Senator Lautenberg showed me when I first went to New Jersey three years ago.

The system has two goals.

First, to accommodate the tremendous growth in the region. For the first time people will be able to travel up and down this area using rail transit. Within 10 miles, there are 10 major shopping malls, 16 parks and recreational facilities, 9 medical centers, and 35 schools. Now, all will be connected for easy access.

Second, it will improve connections for commuters into New York City because so many of these new stations will be at transfer points. So you can walk to a rail station in New Jersey, hop on a train, and then transfer at one of the many stations where there's a ferry, or a bus, or a train connection into the City.

In short, it gives people new and better ways to get around.

San Francisco BART Airport Extension -- $1.1 billion

This is a 7-mile extension of BART to bring people to San Francisco International Airport, a West Coast gateway to the Pacific Rim.

Today, a patchwork of separate public transportation systems provides limited service to the airport.

With this, you will be able to go from just about anywhere in the Bay Area on BART to the airport. And once you're at the airport half the passengers will be at the ticket counter within four minutes.

I rode BART last month. I was there to cut the ribbon on the station that is closest to the airport, in Colma. Already 10,000 people a day are using the new station.

The extension project will expand BART by adding four more stations and serving 70,000 riders. And it will help provide 50,000 jobs, which will energize the region's economy for years to come.

Sacramento Light Rail Extension -- $200 million

I also recently rode the Sacramento light rail system. Today, it is 18 miles long. We will extend it six miles to the south, to serve another 25,000 riders. It's a project that Sacramento has always wanted, because it serves ethnically and economically diverse neighborhoods.

For example, one station will be near the local Campbell Soup plant, bringing people to their jobs. Another is at a major community college, so students will benefit greatly. And a third station will connect to the Amtrak system, so a resident of Sacramento can take a train all the way to the Bay Area.

When I was there, I saw a lot of the re-development near the proposed new stations. It reminded me again, of the close link, between transit and the local economy.

Denver -- Southwest Corridor Light Rail Extension -- $178 million

Just as Leon Panetta had nothing to do with the decisions about the California projects, I had nothing to do with the Denver decision. No favorites here.

Denver now has a five-mile light rail line that serves downtown and the convention center, and we want to extend that by about another nine miles, so it would tie together Denver, with the suburbs of Englewood, Sheraton, and Littleton.

It will add five stations, most in residential areas. By the station in Englewood, a large entertainment complex is under development. And the Littleton station will be near one of the largest community colleges in the country.

Denver now has 14,000 riders a day. When this is complete, they will have between 30,000 and 40,000.

And one more point on Denver: It will be the safest system we could build. It will never cross a highway. No grade crossings.

St. Louis, St. Clair Extension -- $295 million project

This will extend the very popular Metrolink in St. Louis to several smaller towns on the Illinois side of the Mississippi River.

This is one of our newest systems, opening in 1993. In 1994, President Clinton and I rode on it when the segment out to Lambert Airport was completed.

We now want to extend it 17 miles, into East St. Louis, and then through Belleville. This will provide service to a community college, to a major hospital, and to areas that are

now being commercially developed.

Let me explain what this might mean. Say you're a student at Belleville Area College. You could fly into Lambert and take a 30-mile train back to school, all for a one dollar fare.

And these communities want this project: they overwhelmingly passed a tax on themselves to help fund it.

San Juan Tren Urbano -- $1.1 billion.

Do you know what city has the highest traffic density in the world? Not Los Angeles. Not New York. But San Juan.

There are three times more cars in San Juan per road than in the continental United States. The average Puerto Rican family spends 40 percent of its income on a car.

After two decades of study ... after study ... after study recommending rail transit in Puerto Rico, I am proud to say: "el momento a llegado. Felicitaciones!"

We will help fund Puerto Rico's very first 10-mile rail transit system that will connect the San Juan metropolitan area.

Seven hospitals, three universities, and government centers -- all connected to neighborhoods across town.

Puerto Ricans can, for the first time, imagine commuting to school or work on a pleasant train, on time, without traffic jams -- some 115,000 people a day will use it.

And Tren Urbano will be good for the environment. It's an electric train, generating no pollution.

Finally, Tren Urbano is a symbol of President Clinton's commitment to furthering social and economic development in the Commonwealth.

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