DEPARTMENT OF TRANSPORTATION | NEWS

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590

29-DOT-72

REMARKS BY UNDER SECRETARY OF TRANSPORTATION JAMES M. BEGGS AT TRANSPO 72 PRESS CONFERENCE, HILTON HOTEL, BRUSSELS, BELGIUM, APRIL 18, 1972.

I'm delighted to be in Brussels today to discuss the challenges of transportation and to invite you to join us in Washington, D. C., next month for our first International Transportation Exposition, TRANSPO 72.

TRANSPO 72 will be held at Dulles International Airport near Washington, from May 27 to June 4 -- and I promise you that it will be the largest industrial exposition ever held; one which will be of interest to public officials, businessmen and private citizens from all over the world.

Today there is no doubt that we can improve transportation. Our problem is to coordinate not one but many transportation modes into a compatible and interrelating system.

Thus, we should be able to match up our supersonic jets with ground transportation that completes a traveler's journey with swiftness and without annoyance. We need high speed commuter trains that speed people from the suburbs to the inner city, as well as mass transit that carries people to points within the city with quiet efficiency.

At TRANSPO 72 we plan to demonstrate the technology, the ideas, and the new systems that we think will help do the job.

English essayist William Hazlitt once said, "The soul of a journey is liberty." And we who are planning TRANSPO hope to bring that feeling back to travel -- a feeling of liberation to new worlds, whether it be for a small trip or a long one which crosses continents.

To some extent, the jet plane and the new supersonic planes will allow us to do this. However, we can expect that once back on terra firma we will find ourselves trapped in the typical traffic jams of any urban center, whether it be Boston or Brussels.

TRANSPO 72 seeks to provide a forum for solving these problems -- to break the impasse between modes of transportation, to make them work together and to optimize the advantages which technology can give us.

For it avails us nothing if we can create a 300-horsepower automobile only to find that it cannot proceed through city traffic any faster than a man on a bicycle.

The past decade has revealed that population growth, shifting residential patterns, and concentrations of people in urban corridors have rendered obsolete many of the transportation systems of the past.

So, we have a tremendous challenge at TRANSPO 72 -- how to salvage and improve upon past systems of transportation, as well as devise and correlate new ones.

I believe that TRANSPO 72 can help in discovery of the formula for curing our transportation crisis. It will provide the right ingredients for studying the problem, for taking an inventory of old and new transportation modes and systems, and for fostering the kind of futuristic vehicles and inter-modal planning needed in the remainder of this century and beyond. TRANSPO 72 is first of all a marketplace and showplace for the transportation wares and products that will be a part of improved transportation systems in the future. These products will represent the latest in mechanical, scientific, and innovative achievements by thousands of experts from around the world. Almost 500 displays and exhibits will feature these accomplishments. And every mode -- air, land, sea, and space -- will be given attention during TRANSPO 72.

TRANSPO 72 will show the past, present, and future of transportation in our world. Still, the primary reason for the Exposition is to focus attention on how the mobility of man can be improved to meet the challenges we will face in the years ahead.

Almost one million visitors are expected to pass through the TRANSPO 72 gates, and we are hoping that a sizeable number will be from your country and your neighboring lands. I understand that about 75 nations now plan to send official delegations to TRANSPO 72, and we are extremely pleased that your government will be included -- as one of our special guests during the Exposition.

The overall dimensions of TRANSPO 72 are enormous. For example, indoor exhibits will be housed in four great halls, each the size of one and a half football fields, or soccer fields if you prefer. Outdoor exhibits will range over one million square feet of display space. We will have both ground and air shows, and I am told that the air spectacular programs will be among the greatest ever performed -- involving more than 150 aircraft.

TRANSPO 72 will have the hardware of transportation, in all its forms, but it likewise will provide the experts, ideas and thinking to make that hardware work in the best way for everyone. The International Congress of Transportation Conferences will be held simultaneously with TRANSPO. They will cover nearly every mode of transportation with major meetings of

internationally recognized authorities. Six separate conferences will be held under the general auspices of the ICTC. We believe that these meetings will have a great bearing on successfully implementing better inter-modal networks of transport.

TRANSPO 72 is the first such event ever sponsored by the United States Government. It demonstrates our concern for the future. Transportation cannot be taken for granted. It must be given every consideration by both government officials and the public. TRANSPO 72 can and will offer the genesis to make this possible, and on behalf of our Secretary of Transportation John A. Volpe, and our government, I extend our warmest invitation to you to be part of this important event.

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40-DOT-72

REMARKS BY UNDER SECRETARY OF TRANSPORTATION JAMES M. BEGGS BEFORE THE 1972 COMMUNITY OFFICIALS CONFERENCE, IOWA 1st AND 4th CONGRESSIONAL DISTRICTS, RAYBURN HOUSE OFFICE BUILDING, ROOM 2167, MAY 10, 1972, 9:00 a.m.

Good morning ladies and gentlemen. It's a great pleasure to be addressing the Iowa Community Officials Conference this morning. I fully realize that you early risers from a traditionally farm state consider this time relatively late in the day. In any event, you all look wide awake, and I'll try to keep it that way by being brief.

A few weeks ago, I had the opportunity of addressing a group from the Iowa Development Commission. At the time, I told them we at the Department of Transportation felt it was a pleasure to do business with the State. Many of the problems bedeviling the transportation scene elsewhere are minimal in Iowa. That, of course, is not to say they are non-existant...or that they are negligible. But generally speaking, Iowa's transportation profile is considerably better than many other states.

As of January 1, 1972, more than 77 percent of Iowa's Interstate Highway System had already been completed. Seventeen percent is currently in various stages of construction. Only six percent remained in a preliminary status or was not in progress. This system has been financed at a total cost of $505 million, of which $455 million were Federal funds. Additionally, the Interstate projects currently underway represent $88 million of which $79 million will be Federal funds.

Primary, secondary and urban Federal-aid projects totaling more than 12,000 miles have been completed at a cost of $534 million, more than half of which were Federal funds. In truth then, Iowa's highway development program is in good shape.

Other programs include mass transit grants of $1.6 million, Federal Aviation allocations of almost $5 million for airport development, and even the Coast Guard's budget in Iowa exceeds $1 million annually. Thus our activities are well represented within the State.

As you must know, this Administration has proposed and the Congress has enacted many meaningful new transportation programs. We are trying to bring the system back into balance, and to improve it. This morning, I'd like to talk about two recent Administration legislative initiatives not yet enacted in the hope of enlisting your support.

Very recently, we sent to Congress the 1972 Highway Needs Report and the bill which would implement its recommendations. In this report, our recommendations included the proposed use of the Highway Trust Fund to finance urban transportation projects regardless of mode, along with a broadened rural transportation program.

There are those who argue that this use of the Highway Trust Fund deprives the motorist of services he has already paid for. We look at this differently, and feel that quite the reverse is true. By improving all modes of transportation, in both urban and rural areas, we hope that highways will become less congested, and more efficiently used. We want to give people a choice. But we in Washington readily admit that we don't know precisely what will suit the transportation needs of a specific locality. Therefore, we feel the best course is to place the initiative ...and the money...in the hands of local authorities to be used to meet their needs as they see them.

Just as we propose increased responsibility at the local level, we intend to make more funds available. Aside from the Interstate program, which will be spread out over a longer period, increased authorizations in both urban and rural programs are called for beginning in fiscal year 1974, when the program would go into effect.

Total authorizations in urban areas would increase from $1.15 billion in FY 1972 to $1.85 billion in FY 74, and reach a level of $2.25 billion in fiscal years 1976-79. Rural programs will also increase from $785 million in FY 72 to a billion dollars in FY 74, and continue upwards to $1.2 billion in fiscal years 1976-79.

To Iowa, this means more than a million dollars more in FY 74 than in FY 73 for programs other than the Interstate System - almost a 5 percent increase. This upward trend will continue, with Iowa's authorization 53 percent greater in FY 76 than in FY 73, the last year under the current system.

Thus, we propose the establishment of a Single Urban Fund for capital investments for urban transportation projects.

These funds would be distributed on the basis of 40 percent to metropolitan areas according to their share of the national metropolitan population. Another 40 percent would be allocated to the states, and 20 percent would be reserved for discretionary use by the Secretary of Transportation. All would be allocated on a 70 percent Federal, 30 percent State and local matching basis.

The Single Urban Fund would be available for use by elected officials for any transportation system suited to local requirements. To me, that is bringing funding and decision-making to the grass roots where it belongs. We believe the user should decide.

All rural highway programs would be consolidated into a Rural Federal-Aid System and a new Rural General Transportation Fund. Under the Rural Federal-Aid System, we will extend eligibility for Federal-aid financing to almost 20 percent of the total rural road mileage. Our figures indicate that this will account for approximately 75 percent of all highway traffic in rural areas. $800 million per year will be authorized for this program, which will be made available on a 70 percent Federal, 30 percent local matching basis, instead of the current 50/50 ratio.

To insure the states have sufficient flexibility to satisfy transportation requirements outside urban centers, we are proposing a program to provide funds for capital investments in inter-city rail services, rural bus systems and highway projects not currently on the rural Federal-aid systems. Thus, we've recommended the creation of an entirely new Rural General Transportation Fund, with authorizations of $200 million for fiscal years 1974 and 1975, and $400 million per year from 1976 through 1979. Of course, the 70/30 matching ratio would continue.

The second proposal is directed at solving the common carriage problem. It consists of two bills, currently before Congress, known as the "Transportation Regulatory Modernization Act" and "The Transportation Assistance Act."

The first of these two acts advocates releasing carriers from the bewildering conglomerate of arbitrary constraints in pricing and provision of service. It gives any carrier the freedom to offer prices and services specifically tailored to the shipper's requirements. And most importantly, it allows a meaningful restructuring of all surface transportation services to suit the requirements of any given market. Thus, for example, easing procedures for abandonment of unprofitable railroad branch lines.

Today, common carriers...railroads, trucks, barges...are forced to supply and price their services through a complex pattern of economic regulation dating back to 1887. It can't be denied that, in its time, regulation helped bring our transportation system to its current stature. But neither can it be denied that these same regulations, long-since outmoded, have brought it to its current dilemma. Certainly the railroad industry has the doubtful distinction of being the most vivid example of the destructive effect of an outdated regulatory policy.

During this Administration, the Federal Government has taken, and is continuing to take, many meaningful steps to provide financial assistance to the surface transportation industry, especially the most depressed segment of the industry...the railroads. As you all know, many, if not most of our railroads are in dire financial difficulty. They are unable to supply the services the shippers need. Freight cars are in short supply. Trackage is in disrepair. The rate structures and regulatory processes are abysmally outdated.

In the Transportation Assistance Act, we have addressed ourselves to the critical problems facing the railroad industry. In essence, the proposed bill consists of two titles. Title I provides for services improvement by empowering the Secretary to assist railroads in acquiring rolling stock and by developing a national rolling stock scheduling and control system. In order to encourage this acquisition, the bill would create a revolving fund for insuring equipment obligations of the railroads. At The same time, the Secretary would be required to develop and initiate test demonstrations of rolling stock scheduling and control systems in rail yards and terminals.

Title II of the bill would prohibit the establishment of discriminatory assessments and taxes on the property of common and contract carriers of all modes, by making it unlawful for a State or locality to assess or collect a higher rate of property tax on interstate carriers than on other similarly situated taxpayers.

It has always been the Nixon Administration's policy to keep to an absolute minimum the involvement of the Federal Government, and to eliminate, as much as possible, Federal controls over the direction and operation of the entire transportation system. We at DOT feel the Transportation Regulatory Modernization and the Transportation Assistance Acts will accomplish these ends. In other words, the bills return the work "MOBILITY" to the lexicon of "Transportation."

In closing, let me just point out that without mobility, none of us would be in this room today. We welcome your support.

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43-DOT-72

REMARKS BY JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, BEFORE THE AMERICAN INSURANCE ASSOCIATION, HOTEL PIERRE, NEW YORK CITY, MAY 18, 1972

I'm delighted to be able to join you today to discuss no-fault auto insurance. Judging from your full page newspaper ads -- at least the ones that ran in Washington -- I assume that we're all playing this game under the same walnut shell. And I must admit that your shell game analogy appears accurate -- especially when we consider some of the charges and counter charges in the no-fault discussion. I've seen arguments that no-fault would cure everything from drunk driving to arthritis. And some opponents have claimed the existing tort system to be only slightly less sacred than the Constitution. The truth, as we all must realize, is something less than either situation.

So I think it might be profitable to pause for a moment in this debate to once again outline the position of the Nixon Administration on no-fault auto insurance.

Our premise, of course, is that something is wrong -- wrong when people pay $14 billion a year in premiums and receive only $7 billion in benefits.

Something is wrong when only about 45 percent of those seriously injured in accidents get any insurance benefits at all from a system required or encouraged by the government.

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And something is wrong when cancellations are arbitrary and unexplained, when coverage can't be bought for any price, when insurance is denied to entire geographic areas, when settlement claims wait months for court delays, and when accident victims must worry more about their legal position than their physical health.

We believe -- the Department of Transportation believes -- that these wrongs can be righted. And we must make the attempt without delay. The present system of reparations is fraught with inequities, injustices, and incongruities. And they all converge on the shoulders of the one person who doesn't need any more trouble -- the seriously injured accident victim.

The existing system is inefficient, grossly expensive, incomplete and slow. It allocates benefits poorly and unevenly, discourages the use of rehabilitative techniques, and overburdens the courts and the legal system. Both on the record of its past performance and on the inherent logic of its operation, it does little if anything to minimize crash losses.

These are the kind of silent dangers that can creep into almost any large public-private institution. One inequity is heaped upon another. Those who profit urge their proliferation. Those who suffer are helpless in the face of the establishment, the traditions, and the pervasiveness of the wrong. This is what has happened to the existing fault system of insurance. And it must be stopped.

George Bernard Shaw once wrote that "In England we let an institution strain itself until it breaks." Shaw wasn't talking about insurance, of course. But I submit that the present auto insurance reparations system in America is straining itself. And we cannot afford to let it break. The public interest has too much at stake. But neither can we afford to maintain it as it presently exists. Major reform is urgently needed.

In my opinion, this is the greatest consumer issue facing Americans today. Yet its insidious nature hides that truth from many citizens.

We now have over 100 million registered vehicles in America traveling more than one trillion miles annually. More than two million accidents annually result in over 55,000 deaths and $16 billion in economic losses. Nearly every American family is affected by the auto insurance reparations system.

And if people understood the great cost of delivering insurance benefits under the tort liability system; if they examined their insurance premiums and their legal fees with the skepticism they deserve; the hue and cry would knock the dome off of every State capitol in the country. I'm out pleading for that kind of examination. And I'm pleased to note that the American Insurance Association is doing the same.

When Secretary Volpe first presented our proposals for insurance reform to the Congress more than a year ago, he emphasized five important recommendations. Let me summarize those points.

First, we believe that the States should begin promptly to shift to a first-party, non-fault compensation system for automobile accident victims.

We believe that this can and should be done in such a way that we can reverse ourselves, if the actual performance of the new system doesn't meet our expectations.

We believe that recovery for "general" or intangible damages should be drastically limited and carefully circumscribed.

We believe that our relevent institutions, public and private, and the citizens who man them, should be given adequate time to plan for, to adapt to, and to assess the performance of such new systems.

And finally, we believe that the change should take place at the State level, but that there should be general national goals or principles toward which the States should be moving.

Those were our recommendations a year ago -- and we believe in them just as strongly today. Nothing has happened over the past 12 months that does anything other than reinforce our conviction that the present insured tort liability reparations system should be replaced by a plan based on first party, no-fault insurance.

Indeed, many of the events of the past 12 months have only served to strengthen our resolve. The experience developed under the Massachusetts law, and that which is now developing under the Florida law, make it clear that the introduction of no-fault reform does not create chaos nor play havoc with existing institutions. Those who gloomily predicted the emergence of irresponsible motorists, skyrocketing premiums, and insolvent insurers were wrong.

It is now evident that such stresses and frictions as may flow from the initial phases of no-fault reform are of the kind that are regularly and easily overcome by an industry which has always lived with change.

In addition, the no-fault debate has exposed the weaknesses of our opponents claims. And none has wilted under scrutiny faster than the argument that no-fault insurance would somehow destroy individual responsibility -- that it would promote unsafe driving.

Does anyone seriously believe that people avoid accidents in order to save insurance companies money? Under the fault system most people buy insurance for just the opposite reason: because it relieves them of responsibility. How many times have you heard people say, "So what if I have an accident, insurance will pay for it." Or how about this line, "Let 'em sue, my insurance company will pay for it." And by insurance company, they mean you and me and everyone else who has to pay higher premiums so the company coffers can afford to pay.

No drunk driver ever gave up the booze, or turned off his ignition, because an accident might cost his insurance company money. More often the drunk driver -- who is involved in up to 50 percent of all fatal accidents in this country -- simply tucks the flask in his pocket, climbs behind the wheel, and says, "who cares what happens, my insurance company will pay for it."

That sort of thing does not fit my definition of personal responsibility and I reject it completely as an argument against no-fault.

"Fairness" is another issue often mentioned by defenders of the insured tort liability system. And its true, of course, that the basic tort liability rule is fair. The guilty should pay for damages incurred by the innocent. But the idea that this basic theory is in any way practiced under the present fault system is a myth. When all people, negligent and innocent, are obliged to buy liability insurance, losses are not shifted to the guilty party. They are shifted to the guilty party's insurance company -- who in turn shifts it to every premium payer in the company. So once again, you and I and everyone else has to pay for other people's negligence.

On the other hand, reform advocates are often accused of advancing no-fault auto insurance as a "panacea" for all the troubles associated with the motor vehicle accident. It is not that, of course, and I make no such claim.

It will probably do no more to make us better or more responsible drivers. It certainly won't make the automobile accident any less tragic for those involved. But it does hold out considerable promise for improving the insurance reparations system.

First, it would provide a system geared basically to serve the needs of auto accident victims, rather than one designed to protect the financial assets of tort-feasors.

Second, it would allow insurance companies to institute sound public interest practices for establishing eligibility for benefits -- and for determining the amount of benefits payable.

Third, it would provide a system much better able to allocate available benefit dollars according to the varying needs of victims.

Fourth, it would permit sounder rating criteria to be used in establishing eligibility and premium levels.

Fifth, it would lower consumer costs be eliminating the need for an army of investigators, claims agents, lawyers and judges necessary to determine fault.

And finally, by substantially eliminating the adversary procedures, it would be possible to recreate the basic service orientation of the insurance business.

All of these objectives are inherent in the reform principles this Administration submitted to Congress a year ago. We asked then for a Concurrent Resolution expressing the will of the Congress and setting forth certain criteria for insurance reform. Unfortunately, the Congress has failed to act on that proposal. The no-fault debate has continued, however, and nearly every state has given it some degree of consideration.

In Massachusetts, which was the first State to pass a form of no-fault insurance, success is already evident. When the Massachusetts no-fault went into effect on January 1, 1971, state officials began by ordering a 15 percent rate cut. That was followed by a 27.6 percent cut in 1972. According to the Massachusetts Insurance Commissioner, no-fault reversed the trend under which Massachusetts motorists would have had to pay increases of some 20 to 30 percent in 1971 under the old system. And that claim received added meaning just a few weeks ago when the Virginia Legislature voted against no-fault insurance. Within days, several Virginia companies raised their rates as much as 15 percent.

Yet in spite of these contrasting examples, most states have been slow to adopt no-fault reform. Let's face it, our primary opposition comes from some parts of the legal community. They have lobbied hard against no-fault. And their influence is considerable. But I do not believe that their interest is synonymous with the public interest -- not when lawyers' fees annually account for over $1 billion in auto insurance costs; and not when those fees represent almost 25 percent of the entire legal profession's income. So I urge persistence. This is a consumer issue and it can be won.

I realize that we have been criticized for our position with regard to State implementation. But I urge those who favor a national law not to mistake our support for State laws as a sign of weakness -- or as a lack of enthusiasm by this Administration. We proposed no-fault. We are adamant in its support. And we intend to fight for its adoption. We do believe, however, that the States should have first crack at implementation.

We believe, as the President believes, that insurance regulation should, if at all possible, remain at the state level. We further believe that the detailed fashioning of the best no-fault approach can benefit greatly by some experimentation by the states.

This does not preclude the need for a certain amount of uniformity, if not now, certainly at a later date. Our sponsorship of the model bill drafting effort of the National Conference of Commissioners on Uniform State Laws commits us to the desirability of ultimate uniformity or compatibility.

The National Conference's schedule calls for the special drafting committee to finish its work early this summer, with consideration by the full Conference at its August meeting in San Francisco. If the Conference votes its approval, the bill could be promulgated as a uniform act sometime in the fall of 1972.

This timetable should not be used by any State, however, as an excuse for inaction. A substantial number of states still have legislatures in session. And I urge them to consider and enact no-fault without delay.

I reiterate my conviction that no-fault insurance reform will come more swiftly than most people anticipate. To think otherwise is to dangerously under estimate the power of consumerism in American politics and government. To believe that the public, government and industry will continue to spend billions in providing safer highways and vehicles in order to prevent the consumer from becoming an accident victim, and at the same time ignore his misery when he becomes that victim, impresses me as political naivete.

In my opinion, understanding is believing. And in spite of the smoke screens -- in spite of the shell games -- the American consumer is fully capable of understanding and believing in first-party, no-fault auto insurance. Our task is to respond with the best government and business leadership possible. By working together, we can provide both.

Thank you.

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49-DOT-72

JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, SECOND INTERNATIONAL CONFERENCE ON PASSIVE RESTRAINTS, SHERATON-CADILLAC HOTEL, DETROIT, MICHIGAN, MAY 22, 1972, 8:30 a.m.

I appreciate this opportunity to address the Second International Conference on Passive Restraints. The Society of Automotive Engineers and all others who have worked on this conference deserve considerable credit for their efforts on behalf of automotive safety.

The safety dialogue is increasing throughout America. And we look to those of you here today for leadership in giving that dialogue substance and direction.

Much has already been accomplished in the passive restraints field. Research, development and demonstrations are underway throughout the world on a variety of vehicle safety systems. I commend those productive accomplishments, knowing the leadership you have provided in making them possible.

Perhaps the most valuable contribution I can make to this conference is to indulge in some plain talk about the Department's position on passive restraints. I hope that in the process, I can clear away some cobwebs of misunderstanding that may still be hidden in the corners. In particular, there are two basic points that I would like to have clearly understood.

The first deals with the basic commitment of the Department to the concept of passive restraint systems for cars.

There were a lot of people in the auto industry -- both here in this country and abroad -- who did not really take us very seriously when on July 2, 1969, we issued an Advance Notice of Proposed Rule Making, which announced that we were going to move toward passive restraint systems in our continuing search to find effective ways to save lives and reduce injuries in highway crashes.

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I suspect that some of those who did not take us seriously are in this room this morning. I sincerely hope that there are no lingering doubts today about our intentions. But in case there are those who still don't believe we mean what we say -- for whatever reasons -- I want to bring you a clearly stated message from Secretary Volpe, from our highway safety Administrator Doug Toms, and from all of us in the Department who are involved in the decision process. Stated unequivocally, we are firmly committed to passive restraint systems. We are convinced that the concept of passive restraints offers the best life-saving potential on the automotive horizon today. And let none of us forget, please, that saving lives and reducing injuries is the business we are talking about.

I do not need to detail for this audience the clear and often stated rationale behind the decision to move to passive restraints. You are all knowledgeable about the low rate of usage of safety belts that have been provided in all passenger cars for at least the past five years. The only new thing about that story is that recent usage studies conducted by the Highway Traffic Safety Administration show that safety belts are actually used by even fewer people than has generally been conceded.

Our job is to save lives, and we are determined that we shall follow any path, look at any alternatives, examine any possibility which might help us toward that goal. And that brings me to the second major point I wish to make this morning. It concerns air cushion systems.

We have been accused of being unfairly biased, of being close-minded, and arbitrary about these systems. It is said that we have emphasized them almost to the exclusion of other types of passive restraint systems. I believe it is time to lay those charges to rest, and I will let the record speak for itself.

As you well know, our Standard 208 on occupant protection does not now and never has required air cushions. We have gone to considerable lengths to avoid such requirements. Our standard is carefully drawn to bring the focus on system performance, to allow every possible latitude to manufacturers to develop alternative passive restraint systems.

If more money and effort has been expended and the development of air cushion systems has proceeded faster than other systems -- which is probably true -- it is because a majority of the experts working in the field are convinced that air cushion systems offer the greatest life-saving potential. That judgment has been independently arrived at by a large number of individual manufacturers and researchers -- it has not been dictated by the government.

On the contrary, the government's position has been and is today -- if anyone can show us a passive restraint system that outperforms air cushions, that's great! We welcome innovations.

The charge that we have closed our minds on this subject simply does not stand up under examination. We have leaned over backwards to accommodate different views and approaches to the problem. We have amended our Standard to permit even more optional ways of solving the problem. We have acceded to industry requests to give a fair trial to ignition interlock belt systems.

We have searched for ways to cope with the problem of phasing in passive systems. The challenge is there for all to hear and see...develop the best and most effective passive restraint system you can devise. There are a lot of people around the world who are working to meet that challenge. Your attendance here today is more than adequate proof, of what now approaches unanimity among auto safety experts, that we must find ways to keep people from being killed in auto crashes. We in the Department are well aware of a substantial body of feeling within the auto industry that we should be stressing accident avoidance and driver performance. Let me emphasize that we have accepted the view that people will continue to make mistakes and accidents will continue to occur. In our view, the most immediate way to saving lives is through the crash survivability approach, and that includes passive restraints.

One more point needs to be made here. The Department's commitment to passive restraint systems, through a performance standard on Occupant Crash Protection, has resulted in a complete world-wide revision of the traditional methods of vehicle design for crash survivability. Prior to our emphasis on the performance aspects of occupant crash protection, researchers, manufacturers, and others involved in vehicle safety design concentrated their efforts on specific items of equipment which would add to the safety of vehicle occupants.

Many useful safety items were developed under this approach. Safety belts, safety glass, energy-absorbing steering columns, improved doors and door locks, are some of them. While the Department of Transportation was not the first to experiment with performance criteria, it was only with our initiative in developing the Occupant Crash Protection Standard that the focus of automotive safety technology began to turn rapidly to the survival of the occupant in a crash as the <u>really</u> important crash safety criteria.

When safety technologists throughout the world began to examine criteria for occupant survival, it became clear that while many safety items included in cars and under study were indeed effective and promising, many did not perform up to their full capabilities, and some actually conflicted with each other to lessen the effectiveness of each. For example, tuning the energy-absorbing characteristics of the steering assembly to both belted and unrestrained occupants presents conflicting design requirements that increase the cost and limit the safety benefits of those devices. Another excellent example of the need for a systems approach is the question of using bumpers and front end structure changes to absorb crash energies. Those who have been working that problem recognize the trade-offs that are necessary between energy absorption in the structure and transmitting crash energies into the passenger compartment.

Of course, one of the most important aspects of our support for passive protection systems has been the low usage of current safety belt systems. The shoulder harness has great potential for preventing injuries and fatalities, but very few people use it. I don't recall any study which reports more than a five percent usage of the shoulder harness.

Recognition of the critical importance of this low usage has led to standardized, 3-point lap/shoulder belts with push-button releases for cars produced after January 1 of this year, and integral lap and shoulder belts with inertia reel retractors for cars produced after August 15, 1973. Further, the auto manufacturers have recently directed welcome attention to improving the fit, comfort, and convenience of belt systems in view of the Department's regulations on warning and ignition interlock systems, which we hope will further improve belt usage in the absence of passive restraints in 1974 and 1975 model year cars.

And may I interject here a plea for auto manufacturers to look closely at the location of essential driver controls such as the parking brake release, hood release, and others. Let's make sure they are within easy reach of belted drivers. With the introduction of ignition interlocks, it becomes increasingly important that the driver be able to reach all essential controls after he buckles himself in. This may require the relocation of some controls, but I strongly urge that you work at this problem now.

However, it should be noted that as we become increasingly aggressive in our efforts to increase belt usage, we approach the point where more pressure to use safety belts motivates more people to look for ways to defeat the systems one way or another. There are some who believe we have reached that point already. They feel that we should follow the Australian path and seek laws to require seat belt usage. We here in the Department of Transportation support State laws which require seat belt usage, recognizing the difficulty of their enforcement.

At any rate, we all hope that steps taken so far will increase belt usage during the transition period when passive restraints are not available to all. How much we can increase that usage is certainly open to experience, but I think a very strong case can be made for the view that it is unrealistic to expect any revolutionary change in belt usage patterns.

If there are any who doubt that our commitment to passive restraint systems has already brought significant payoffs, let him only examine the exciting work on passive systems now underway in many countries. Much of this work will be presented and discussed here at this Second International Conference. During the next four days you will see new techniques to solve some of the lingering problems of passive systems.

As I scan the program, noting the many papers to be presented on gas generators, aspirators, microwave sensors, energy-absorbing and semi-passive belts, automatic cushion restraints, primate and human testing, 50 mph protection, etc., I think we can all feel proud of the progress that is

being made in motor vehicle safety. You and I know it is not an easy road. We have all made -- and will continue to be asked to make concessions to further the cause of vehicle crash survivability. Note that I said "concessions" not compromise of principle.

Let us hope that in our strivings and our discussions over methodology we never lose sight of the only objective that counts -- the saving of human lives and the reduction of human suffering and misery. That's the real purpose of this conference.

Thank you.

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U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590

STATEMENT OF JAMES M. BEGGS, UNDER SECRETARY, DEPARTMENT OF TRANSPORTATION, BEFORE THE SUBCOMMITTEE ON SCIENCE, RESEARCH AND DEVELOPMENT OF THE HOUSE COMMITTEE ON SCIENCE AND ASTRONAUTICS ON ENERGY, TUESDAY, MAY 23, 1972.

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to appear before you today to discuss the activities of the Department as they relate to energy production, transmission and utilization.

As you know, the President issued a warning in his Message on Energy Resources of last June that we can no longer take our energy supply for granted. We in the Department recognize that we need to examine carefully the effects our transportation activities have on the energy situation, and to insure that our decision-making processes reflect proper consideration of energy supply problems as well as such factors as efficiency, economy, convenience, and environmental impact.

The need for DOT involvement in the energy question is clear when you consider that transportation accounts for about 25 percent of the energy used in the United States. Of particular significance is the fact that transportation accounts for about half of the petroleum used each year in this country. In fact, over 95 percent of the energy used in transportation is provided by petroleum, and this situation is contributing significantly to our dependence upon petroleum produced in foreign countries. Over 20 percent of the petroleum used in the United States is obtained from other countries.

It has been projected that the total consumption of energy in this country will continue to increase substantially throughout the remainder of this century, and that transportation's share in this increased consumption will remain about the same as it is today. Thus, it is readily apparent that continued heavy reliance on the use of petroleum in transportation will increase further the Nation's dependence on oil imports from other countries. It has been estimated that these imports will account for over half of the Nation's demands during the middle of the next decade.

In view of the fact that the petroleum resources of this country and, for that matter, of the world are limited, we can begin to see the possible exhaustion of those supplies. Thus, we must direct our attention toward meeting our transportation needs in a more energy efficient fashion. I should point out, however, that history has shown that we are quite slow in making wide-spread changes in the use of energy resources. Looking back over the last 120 years or so, it has taken several decades for new energy sources to assume a dominant role in our economy. I refer here to the progression from wood to coal, and then to oil and natural gas. Looking to the future, we may see nuclear energy take over the dominant role but, once again, that might take another 50 years. I might add here that over the years, change in many of our transportation systems also has been quite slow. In many instances, of course, the major changes which have occurred were coincidental with the changes I have just discussed with respect to the utilization of new fuels.

Although there are a number of reasons for this slow movement, one factor I would hasten to exclude from the list is a lack of inventiveness. Inventiveness certainly is one of our strong points. Economics probably plays a dominant role in retarding change. Also important in many cases are the physical and psychological obstacles to effecting changes in our life-style. Consider, for example, the adjustment it would take to change completely from the use of automobiles to other modes of transportation, or even to adopt a new fuel system for the automobile.

Again, however, we recognize that we must look ahead to adjustments in our transportation systems. Fortunately, there are a number of opportunities for improvement available to us now, and we have a certain amount of time available to conduct research and development into others.

Now, I would like to turn to some of the specific DOT programs currently under way which relate to energy usage or conservation. Let me preface that discussion, however, with this comment on the Department's overall R&D program. The program is organized around four principal objectives: (1) to improve transportation capacity and service; (2) to improve safety of transportation; (3) to reduce adverse and enhance beneficial environmental effects of transportation; and (4) to reduce total costs. Programs to accomplish these objectives may have, as a secondary benefit, the reduction of energy needed to meet demand for transportation services.

With respect to the specific DOT programs bearing a relationship to the energy conservation problem, perhaps it would be helpful if I

grouped them according to the following systems: the engine and propulsion system; the vehicle; and the traffic system in which the vehicle operates. Again I should emphasize that these programs are not primarily oriented toward energy conservation, but indicate the range of Departmental research which impacts on energy conservation.

In the area of engine and propulsion systems, the Urban Mass Transportation Administration (UMTA) is sponsoring the development and demonstration of steam engine powered buses in California and has awarded a capital grant to the City of Lansing, Michigan, for the purchase of six electrically powered buses. UMTA also is considering applications for other types of engines in buses, as part of its bus technology program. The purpose here is to promote the development of engine systems that would offer advantages to the passenger and bus operator in terms of reduced pollution, reduced noise, and better life-cycle operating costs.

In association with the National Aeronautics and Space Administration (NASA), the Department has initiated a conceptual design study of an advanced, low pollution, high efficiency, high power engine of the closed Brayton cycle or semi-closed Brayton cycle class. The performance specifications for the engine have been set by the Federal Railroad Administration (FRA) in terms of their application to TACV or possibly to conventional freight engines.

In collaboration with the Environmental Protection Agency (EPA), the Office of the Secretary if considering the mass production aspects of advanced

automotive power systems. A study of the social, economic, and technological impact of mass production of a gas turbine engine and a Rankine cycle engine with an organic working fluid for the automobile is almost complete now. The utilization of fuel by these engines and the resultant demand for fuel by a large population of cars is one of the impacts that the study considers.

Another engine program that UMTA is supporting is the dual-power commuter car project. The project involves the modification of a gas turbine-electric drive rail commuter car so that it can operate under its own power or from a third rail when electrification is available. The objective is to eliminate the need to shift from electric trains to diesel locomotives when leaving cities.

In the vehicle area, the UMTA has a program to develop a prototype for a new advanced version of the 50-passenger transit bus. The design goals include greater safety, improved passenger comfort, reduced noise and pollution, easy maintenance, improved reliability and increased operating efficiency. These goals are compatible with improved fuel economy but the greater emphasis is placed on cost reduction for the entire operations of the bus.

The Department is supporting many projects in the traffic system area. As in the case of our engine and vehicle projects, they all are responsive to one or more of the major R&D objectives I have already cited, namely, improvement of capacity and service, reduction of cost,

improvement of safety, and reduction of adverse environmental effects, but will often have the effect of increasing efficiency and thereby reducing energy requirements.

In the category of improvements to existing traffic systems, we have the efforts of the Federal Highway Administration to improve the flow of automotive traffic on all kinds of road systems, the efforts of the FRA to improve the capacity and efficiency of the railroads, the efforts of the UMTA to improve the efficiency of bus systems, the efforts of the Federal Aviation Administration to improve the efficiency and capacity of the national airspace system, and the Coast Guard's efforts to improve the speed, efficiency and quality of marine transportation. The efforts of the various operating administrations and the Office of the Secretary typically include economic and policy studies as well as systems analysis and the development and demonstration of technology.

The requirement for the States to submit to the Environmental Protection Agency their plans for meeting the national primary ambient air quality standards in 1975 has become a new driving force for examination of changes to the existing systems. Many State implementation plans call for substantial changes in the use of the automobile and other automotive vehicles in urban areas through such means as car-free or restricted access zones, increased parking fees, special traffic lanes, greatly increased use of mass transportation, and promotion of car pools. This Department and EPA are jointly considering the practicality and effectiveness of such

actions for meeting transportation demand and attaining ambient air quality standards.

The Department is placing considerable emphasis on the development and demonstration of new types of transportation systems, including dual-mode systems, personal rapid transit systems, tracked levitated vehicle (TLV) systems, and V/STOL systems. The fuel and/or energy requirements of these systems are among the many factors that we consider in evaluating their application. I would like to point out here that several of these systems rely on electricity for their power rather than petroleum directly. They, therefore, may offer the opportunity to diversify the sources of energy upon which transportation depends. At Transpo 72, in the next few days, four of the advanced people mover systems will be on display. This is part of UMTA's program to evaluate the current state of development of such systems and to determine their acceptance by the public. The Morgantown project, also electric, is a major demonstration of a fully automatic, demand-responsive, advanced technology transit system in daily public service.

As for future R&D efforts, I should mention that the Department is participating in the Federal Council for Science and Technology (FCST) study of energy R&D goals by leading a panel on transportation energy R&D goals. EPA, NASA, and DOD are also participating in this study. We expect it to be one of the bases for planning our future R&D programs. The panel study has been underway for several months, and we expect it to be completed in

a few months. The objective of the study is to identify R&D projects that could substantially improve the utilization of energy by transportation vehicles and systems or lay the groundwork for greater diversification of energy sources used by transportation.

Now I would like to discuss some of the Departmental programs other than R&D which bear on the energy conservation problem, and look ahead to some possible alternative courses that we may choose to follow. In the context of the national transportation system, we see the energy conservation problem as approachable from three different directions. They are (1) to substitute more efficient processes for less efficient ones; (2) reduce demand; and (3) improve the efficiency of the existing systems.

To place this discussion in perspective, it might be useful to make some broad comparisons of the energy efficiency of different modes of transportation. In terms of relative energy efficiency, airplanes are inefficient; cars and trucks are slightly more efficient; and railroads, waterways, and pipelines are quite energy efficient. In intercity freight transport, for example, the approximate energy use in BTU's per ton-mile for railroads is 680. For trucks, on the other hand, it is 2,340. In the case of urban passenger transport, the figures are 1,240 for buses and 5,060 for automobiles.

Since automobiles consume more than 50 percent of the energy used in transportation, and trucks about 20 percent, it is essential that energy

conservation measures be focused primarily on the highway modes. Special attention needs to be given to the use of the automobile in urban areas since this use accounts for almost 30 percent of the energy consumed in transportation. I made the point last month in Brussels at the meeting of the NATO Committee on the Challenges of Modern Society that, in view of the increasing demands on our limited energy resources, we can no longer afford to utilize our fuel supply in the inefficient way typified by using the private automobile for commutation purposes.

Getting back to the possible alternatives available to us, we can provide the traveler in cities and congested transportation corridors with attractive public transportation alternatives to the automobile. The financial assistance program the Department administers under the Urban Mass Transportation Assistance Act of 1964 helps serve this purpose today in our urban areas. The efforts of the National Railroad Passenger Corporation (Amtrak) to upgrade rail passenger service should contribute to this same cause on an intercity basis. Perhaps in our congested urban areas, however, we should go further than this. The slow maneuvering of automobiles in congested areas, frequently stopping and starting in backed-up traffic, is a most inefficient way to transport passengers. We could conserve a great deal of energy by leaving our cars in the outskirts of these areas and resorting to public transportation systems to move these people.

With respect to freight movements, we also can encourage the use of the more energy-efficient delivery systems where possible. Barges,

trains, and pipelines offer the best prospects in this regard. Particularly in the case of the railroads, we believe the proposed Transportation Regulatory Modernization Act and Transportation Assistance Act which the Department submitted to Congress last November should help surface carriers to improve their performance of freight movements and thereby attract their appropriate share of the freight business.

Other alternatives are to reduce the demand for transportation through better land use planning, greater use of communications media, and simply by encouraging walking and the use of bicycles. With regard to land use planning, we are working with the Department of Housing and Urban Development to improve our understanding of the interrelationship between transportation and land use.

From the standpoint of improving the efficiency of existing systems, we can attempt to reduce congested highway flow through the use of road sensors and computerized traffic signals and by reducing construction time for highway capacity expansion projects. Also, we can encourage a shift to smaller automobiles, particularly for urban use. As you know, this is part of the current trend in automobile marketing.

In connection with moving ahead with any of these alternatives, I should point out that the primary task of the Department is to promote the development of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation consistent with overall national objectives. Since there are many goals

of society which transportation must serve, we must balance these goals against those of energy conservation. Our transportation system must meet the mobility needs of a population of some 200 million people, and it is clear that its consumption of energy will continue to be great. Looking at the matter from the transportation standpoint, however, if we maintain a close watch on efficiency in the use of our energy resources, not only to minimize the total amount of energy being used, but to insure the use of the right kind of energy for the highest purposes, I am hopeful we can successfully deal with the energy problem.

Before I close I should mention a major function of the Department which is an important link between the production and consumption phases of the energy spectrum. This is our safety regulatory function. While it is designed in great part to preclude personal injuries and death from transportation accidents, it is also important from the standpoint of minimizing the destruction of property, and in the case of the transportation of fuels, the wasting of energy. These functions include Coast Guard regulatory activities concerning the safe construction and operation of vessels; rules of our Offices of Pipeline Safety and Hazardous Materials which impose safeguards on the shipment of petroleum and other products; and rules of the Bureau of Motor Carrier Safety which govern shipments by truck of gasoline and aviation fuel.

That concludes my prepared testimony, Mr. Chairman. Now, I will be happy to answer any questions the Committee may have.

DEPARTMENT OF TRANSPORTATION | NEWS

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590

54-DOT-72

JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, COMMENCEMENT, WASHINGTON AND JEFFERSON COLLEGE, MAY 27, 1972

I am always struck by the sense of history that surrounds Commencement ceremonies. I suppose its because they mark such a significant turning point in the lives of so many young people. And here at Washington and Jefferson that feeling is particularly strong. As the eleventh oldest college in the Nation, graduating classes have been marching up to receive diplomas here for nearly two centuries. And the history of this school is rich with the names of men who pioneered America's history -- men who gave purpose to other men's lives.

Washington, Jefferson, Franklin and others of that period saw the changing future of America -- and the changing nature of education -- with a clarity that is seldom known today. And out of that heritage has come the strength with flexibility, the traditions with progress, that are a hallmark of Washington-Jefferson College.

I believe we have broken from the hackneyed tradition of the inspirational commencement speaker extolling in dazzling rhetoric the great virtues with which young people must equip themselves to meet the challenges of tomorrow. I don't have any great truths. I don't have all the answers for your lives.

But I would like to share with you some of the answers in my life -- some of the ingredients I have found worthy and worthwhile. If you'll pardon the lack of lofty eloquence and exaggerated purposes, I would like to spend a few minutes on the individual value of participation in the business life of America.

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Too many speakers on too many platforms in recent years have denigrated the rewards of decent men doing decent work. And they have overlooked the daily struggles and hardships that are so much a part of our existence. I object to those speeches because they deny the fulfillment and satisfaction that I have known in military service, in business and in public life. And they deny the great sacrifices and contributions of our parents, our friends and our families in building a better life for themselves -- and a better world for others.

I have noted that when the college was founded in the 1780's, Benjamin Franklin gave fifty pounds to the new school for books. That doesn't sound like much on today's scale of philanthrophy. But Franklin undoubtedly considered books among the most meaningful gifts he could give. In addition to being an author, scientist, statesman, inventor and publisher, he was basically one of America's pioneer capitalists. And he knew that education was an important first step toward achievement -- no matter what the nature of that achievement might be.

In his autobiography, Franklin quoted this Old Testament verse: "Seest thou a man diligent in his business. He shall stand before Kings; he shall not stand before mean men." Franklin stood before Kings -- and he did so as a dilegent businessman who made his mark in American life.

I recommend that kind of diligence. It has served generations of our forefathers well. It has built the greatest nation on earth with the highest standard of living, the greatest compassion for fellow man, and the greatest capacity for good works that the world has ever known.

Yet many people in America have turned their backs on this achievement. In fact, a clear trend toward anti-business sentiments can be found in two studies conducted over a five-year period by Social Research, Incorporated. In 1966, its interviewers discovered that 28 percent of all Americans felt big business was "dangerous to our way of life." In 1971, the figure was 46 percent.

This is an astonishing mistrust of the business community -- especially when you consider that the great majority of Americans are a part of that community. An active business life in our free enterprise form of government constitutes the underpinning of our Democracy. And to mistrust that life is to mistrust ourselves and our country.

In 1971, owners of all U.S. corporations pocketed 9.8 percent of all income dollars after expenditures for materials, all kinds of taxes and other non-labor expenses. The remaining 90.2 percent went to employees.

However, a nationwide poll in June of 1971 revealed that the average American believed 75 percent of all such income went to the owners, with only 25 percent earmarked for employees.

Misconceptions such as this have led people to believe the worst about business -- about their own employers. I urge you, as new graduates to seek the truth about business life and to take a broader perspective in looking at the world you are about to enter. Of course its important to know about salaries, and pensions, and other forms of advancement. But its also important to know that you and your employers are contributing to the somewhat larger goals of society. Its important to have confidence in business and in the American way of life.

I often hear students complain that jobs are not meaningful anymore. But they are. Jobs of all kinds are what keeps America functioning. They provide our own standard of living -- and our capacity to help others. This point has focused quite clearly in recent years.

We have all known the national effects of inflation, unemployment, and general economic instability. Certainly your parents have felt it -- in the marketplace, in the home, and in trying to get you the best education possible. We have seen public support dwindle for schools, churches, hospitals and other public institutions. This did not happen because we cared less, but because we could afford less.

Fortunately, that situation is changing. President Nixon's economic programs, coupled with the sacrifices and determination of the American people, have turned the economy around.

For the first time in five years, the rate of inflation has been stopped. Food prices have started a downward trend. Our Gross National Product -- the most comprehensive indicator of the overall health of the economy -- expanded at an adjusted annual rate of 12 percent in the first quarter of this year. And real earnings for workers from 1970 to the present have gained by six percent.

These are facts that mean a better life for everyone. And I urge you to consider this business role in determining your future. Consider the historical impact of hard work and business productivity on the total quality of American life.

Last week the President left for a Summit Conference with Russian leaders in Moscow. There were many items of mutual interest on the agenda -- areas of discussion that would help bring peace and stability to the world. But high on the list was Soviet-American trade -- the seeking of new trade initiatives that would benefit both countries.

Following recent trips to Moscow, both the Secretary of Agriculture and the Secretary of Commerce reported the Russians eager to receive American goods, eager to raise their standard of living, ready to benefit from our successes. And in that readiness, they are responding to America's greatest initiatives for world peace and prosperity -- the initiatives inherent in a productive and successful economy.

Out of the new agreements that President Nixon has signed with the Russian leaders comes a new awareness of the world trade community. The marketplace for American ideas and products is much larger this week than last. And the competition is much keener. America today must be prepared to compete on an international basis -- to sell to the world. And to do this, government, industry, and the University and research communities must emulate our foreign competition by joining together in a team effort -- not only to produce the best products we're capable of, but to sell them.

That is a big part of the purpose of TRANSPO 72, the International Transportation Exposition which opened today at Dulles International Airport near Washington. TRANSPO provides a unique showcase -- the first of its kind -- for presenting American transportation technology and ideas to the world market.

In this changing world, we will continually need new talents -- talents such as those represented by this graduating class.

As this class of 1972 leaves Washington and Jefferson, it will be faced with a world of imperfections. You will also be faced with a world of promise, potential and hope. As Alexis deTocqueville, that perceptive 19th century observer of the American scene, wrote almost a 150 years ago: "All the abuses removed (from society) call attention to those that remain. The evil becomes less, but our sensibilities to it more acute."

Our task is to utilize those sensibilities in building on past successes -- not only in a national and international sense, but also in an individual sense. Self fulfillment is still among man's greatest goals. And the opportunities for achieving that goal exist throughout America. I wish you Godspeed in all the years ahead.

Thank you.

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DEPARTMENT OF TRANSPORTATION | NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

50-DOT-72

JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, "THE VIEWPOINTS OF GOVERNMENTS," PANEL, INTERNATIONAL VEHICLE AND HIGHWAY SAFETY CONFERENCE, SHERATON PARK HOTEL, WASHINGTON, D. C., MAY 30, 1972, 9:00 a.m.

It is probably neither timely nor appropriate to go into any lengthy description of the Department of Transportation's vehicle and highway safety activities. Suffice to say, they do exist, and they are extensive. Considerably more relevant to the broader interests and international constitution of this group is, I think, a brief discussion of the safety decision-making process...the motivations that cause governments to initiate certain safety programs.

In some respects, the United States' Highway Safety related problems are unique. In fact, the United States is a nation on wheels. In 1971 more than 115 million vehicles moved more than one trillion, 170 million miles on more than 3-1/2 million miles of highways. Obviously, the figures add up to what can be considered massive highway exposure. It also adds up to a massive highway death rate, and the most serious transportation safety situation in the Nation, with more than 55,000 vehicle fatalities in 1971. That same year, barely 1,500 deaths resulted from aircraft accidents. Thus, for every aircraft fatality in 1971, 37 persons were killed in car crashes. This is not to depreciate the aircraft death toll, but rather to point out the appalling magnitude of our highway deaths.

Not tangential, of course, to the human toll, the economic losses as a result of highway accidents reached an astronomical $46 billion last year in the United States alone.

But the United States is not alone. We may be singularly ahead, but we are not alone. The problem is worldwide. In fact, the worldwide estimates of vehicular fatalities is only a little less than a quarter of a million annually.

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Surely, this represents a serious breakdown in the efficiency of our entire transportation system. And just as surely, this tendency, this trend to mass destruction isn't new. By the late 1960's, the crash loss problem had clearly gotten out of hand. Crashes were claiming more victims under 45 than any disease...and crash victims were the largest users of badly needed hospital beds. A nation on wheels was beginning to destroy itself on wheels.

It became imperative that the Government step in, fulfilling its role as protector of the public safety and health. Private industry couldn't act -- all it could offer was optional safety features more costly than standard items. And the individual consumer was not, for the most part, safety oriented. States were unable to handle the problem, since all had different laws, speed limits, licensing requirements and penalties. And where they existed, inspection standards varied greatly.

It became readily apparent that safety standards would have to start with the Federal Government. As a result, in 1966, the National Traffic and Motor Vehicle Safety Act, and the Highway Safety Act administered by what is now our National Highway Traffic Safety Administration and the Federal Highway Administration, were enacted to set standards for vehicle safety performance and for uniform State highway safety performance. This is probably best described as government "reaction" to a serious national problem. And, belated though it may have been, it required the immediate establishment of a decision-making framework.

Certainly, any "decision-making framework" presupposes a valid approach. Then as now it was felt that there was no single factor, which, if eliminated or corrected, would solve the problem. Thus, our framework was based on a "systems" approach which would deal with all the elements of highway safety... the driver... the vehicle...and the highway environment. Inevitably, therefore, we were, and are faced with two separate objectives. First, we must do everything possible to prevent crashes. But that is not enough...and it's unrealistic. Crashes will occur. Therefore, action to minimize the result of these crashes was and is necessary - which leads me to our second objective: we must improve the odds of survivability. In other words, we have to reduce losses at the same time we try to prevent crashes -- and the complexity of factors inherent in crash causation, including the major problem of modifying driver behavior, impel us to address the problem of crash survivability as well as accident avoidance.

Thus, we have adopted a dual approach to the three main facets of vehicle and highway safety: crash avoidance, and survivability. As a result, we have dedicated ourselves to making highways more safe on both grounds. And we have been successful: on our Interstate Highway system, we have 2.9 deaths per hundred million vehicle miles as opposed to 5.6 deaths per hundred million miles on all our other roads. Using modern traffic engineering principles, we have worked towards improving the efficiency of every element of our national highway system -- and at the same time making it easier for the driver to avoid accidents -- and to survive them if they occur.

We have...and are still trying, to do as much for the vehicle utilizing our safety standard setting authority. Many of the standards issued by DOT have effectively upgraded safety performance. In such areas of crash prevention as braking, tires, lighting and visibility there have been marked improvements. Additionally, standards created under the Vehicle Safety Act mandated the installation of energy-absorbing steering columns and glass. It created seat belts and their proven life-saving record have led to a second generation goal...the "passive-restraint" and energy-absorbing structures to soak up the crash forces.

Inevitably, that brings us to what we believe to be the most difficult problem of all...the driver. We have fostered and supported modern driver education programs in our States. Admittedly, we feel that the positive results of this program are hard to quantify. It's hard to prove that a driver avoided an accident because of his training. But we do feel this area warrants further attention.

Our major -- and perhaps most productive efforts to date are directed at driver-control. These programs are carried out by the various States and utilize such methods as selective police enforcement, modern driver licensing, and reformed traffic court procedures.

In the last analysis, no highway, no vehicle is more safe than its operator. However, in view of the complexity of the many highway safety problems. We face the danger of spreading our resources thinly across all possible targets, negating the chances of success in any area. Therefore, the establishment of a long-range, consistent, orderly program for highway safety development and improvement should include priority attention to the programs in the areas which have the highest potential for reducing, in the near term, traffic fatalities. We have identified three such areas:

First, the seemingly simple process of removing the drunk driver from our highways, if mastered, could cut our annual death toll in half. This is a problem which has been successfully attacked in many countries abroad, and we have embarked on an all-out campaign in this area.

Second, we have a national approach for long range highway development and improvements and the establishment and enforcement of controls for maximum safety on all highway construction. We are targeting improvements at identifiable accident locations -- to put countermeasures where problems really occur, working to establish a nationwide level of traffic engineering competence, and attacking the three key areas of uniform signing and marking, skid accident reduction, and pedestrian safety.

Third, based on the success of seat belts, energy-absorbing steering columns, and safety glass, we are targeting resources in the area of crash survivability. The ESV's you will see at TRANSPO 72 are a case in point.

That in brief, is our story. Naturally, priorities will differ among nations. Every country's interests and needs are not necessarily similar. However, it is important that we agree on a common data base and on the logic and methodology required for decision-making. This, I am sure you are well aware, is one of the goals of the NATO/CCMS road safety project, which many of you are participating in. I am certain both the problems and the decisions are almost as varied as the number of people here today. Hopefully we will find a common denominator for addressing, if not solving them. Certainly conferences such as these will help.

The dialogue is now all yours....

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DEPARTMENT OF TRANSPORTATION | NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

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55-DOT-72

REMARKS BY JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, CONGRESS OF TRANSPORTATION CONFERENCES, SHERATON PARK HOTEL, WASHINGTON, D. C., MAY 31, 1972

Welcome to TRANSPO 72 and the International Congress of Conferences. I'm delighted to see so many distinguished conferees here this morning. As you know, this is the world's first international transportation exposition. And we are looking to you -- the transportation leaders from around the world -- to make it a success. In a very real sense, the ideas and information exchanged at these conferences will test the value of TRANSPO.

Out at Dulles we have the greatest collection of transportation technology ever assembled. But the value of that technology depends upon its utilization -- its marriage with the institutional, administrative and operational genius represented at these conferences. I am honored to be a part of these deliberations and I look forward to the results of the meetings.

My remarks this morning have been entitled: "Tomorrow's Transportation -- Integrated Services." A more apt title might have substituted the word "cities" for "transportation."

Certainly, transportation today is an urban problem, not just in America, but throughout the world. For those who live in urban areas -- and 70 percent of all Americans do -- the frustrations and anxieties of transportation inadequacies are a daily dilemna. For others, the urban problem focuses most sharply during intercity travel -- when airports are jammed, highways are

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clogged, and easy access to bus and rail terminals is denied. But in a larger sense, we all are shaped by our cities -- by their efficiency and safety, by their environmental effects, by their very structure.

Sir Winston Churchill once said, in discussing plans to rebuild Parliament after World War II, that "...we shape our buildings, then our buildings shape us." So it is with our cities. And so it is with transportation.

We all must recognize that transportation, like housing, utilities, health services, etc., is just one link in the physical development of a city or a nation. And transportation must be considered in that context. "Integrated Services," as I define it, includes all of the basic urban functions.

When our first cities were established by Sumerian farmers in the Fifth Millennium B.C., the urban planning process consisted of finding a flat place along the Euphrates River and building clay huts. In today's sophisticated world, however, we have much more enlightened techniques. We find a flat place along a super highway and put up a shopping center.

That's slightly facetious, of course. But I am convinced that transportation development must be more responsive to urban goals. Streets, subways, highways, airports, and all other modes must be developed as an integrated system -- integrated physically and operationally with each other; and integrated functionally with the social objectives of the people they serve.

This problem of integrated services -- or the lack of such services -- manifests itself most dramatically during urban rush hours. Auto commuters can't find a place to park. Bus riders have to endure rainstorms, crowds, and sheer panic in making transfers. And subway passengers need a stopwatch and track shoes in order to make connections with other modes.

The average one-way trip for commuters in New York City is 14 miles and takes 73 minutes. And its the multi-modal trip that makes the time average so high -- transferring from car to commuter train to subway.

Another example exists here in Washington where we have an exclusive bus lane on one of the most congested commuter highways in the East. Since the service started last June, more than 2,000 passengers have deserted their cars to use the buses. The number of cars on the road during the mornings rush hours has dropped from about 8,400 to 5,700 -- a decline of nearly 33 percent. But as one United States Congressman complained only a few days ago, that bus ride doesn't always complete the trip. A car, bus, taxi or some other vehicle is still often required to get to remote sections of the city.

Often, tourists and residents alike can't get information about one mode from personnel representing a competing mode. In this age of computerization, there is no reason why modes should operate without regard for the schedules, routes and capacities of each other.

We must find ways to integrate our transportation systems -- to mold them into one efficient and coordinated means of mobility. Here in the United States we are just beginning a research and demonstration program of deliberate intermodal integration.

We are proposing a sequence of studies and projects aimed at the selection, by 1974, of a city or cities where the components of intermodal intermodal integration can be demonstrated. In defining these components as institutional, operational and physical, we find that the institutional problems are the first -- and perhaps most difficult -- to overcome. This means that the city fathers and ruling elders in our various urban jurisdictions must get together on their transportation planning and in the management of their transportation properties.

We are open to any suggestions for establishing such an institutional arrangement. Internationally, there are some examples for study and possible emulation. In Hamburg, Germany, a Federation of eight companies, both public and private, operates a successfully integrated system providing 99 percent of all transit services in the city. Individual corporate ownership is retained and profits are divided through a complex revenue sharing arrangement. More than 70 percent of all travelers in Hamburg bound for the central business district are transit users.

London has a somewhat different institutional arrangement in the London Transport Executive, a management group which operates a system that has taken over the operation of more than 170 independently operating transit companies since 1933. The London system, which is centrally managed and government controlled, carries over 90 percent of all London commuters.

There are other cities, including some in America, which have achieved a degree of systems integration. But London and Hamburg have gone further in this effort than most cities. Indeed, we have proposed an urban transportation pilot project to the NATO Committee on the Challenges of Modern Society that addresses intermodal integration. We are actively seeking European cooperation.

I would point out, however, that most European systems have flourished under slightly different social, political and economic conditions than exist in the United States. Yet many of their institutional techniques seem adaptable. And they have achieved a degree of integration in terms of equipment, fares, schedules, and routes that we would hope to attain.

These latter components -- the operational and physical ones -- are also under study. Indeed, many of our research and demonstration projects to date -- including dial-a-ride, the "People Movers" being demonstrated at TRANSPO, standardized fare-collection equipment, intermodal terminals, and new routing and scheduling techniques -- support the Intermodal Integration Program.

The value of intermodal integration is well demonstrated by the fact that those cities, mostly foreign, which have accomplished the fullest measure of modal integration are the ones which have been most successful in contradicting the world-wide trend of declining public transit usage. There is ample evidence that when cities "get it all together" -- when they put transit within easy reach of the people -- transportation becomes a community asset, not a liability.

In a larger sense, however, even this type of systems integration -- which might take five or 10 years to implement -- is only a short term solution. It is only a beginning toward improving the totality of urban life. And in the final analysis, transportation efficiency must be judged according to its effectiveness in meeting urban goals.

When the Department of Transportation was established nearly five years ago, it was directed to "promote a national transportation system." Two words in that phrase, "promote" and "national" should be emphasized. For many years, the government's attention to transportation was piecemeal. We had individual agencies promoting their special interests.

Highways proliferated, often without regard for what happened at the end of those highways. Airport operators learned to accept giant aircraft by the hundreds, but had considerable trouble handling passengers in the terminal. Operators of trucks, ships, and trains often let their competitive fears blind their cooperative potential.

The Department of Transportation was challenged to help reverse these trends -- to design a national system based on integrated elements, with the right combination in the right place. And we are proceeding on that premise -- to encourage and stimulate a maximum effectiveness through intermodal integration.

President Nixon has advocated the development of a transportation system which will provide viable options that can be exercised on a free choice basis. In addition, this multimodal system must live in harmony with the environment and other social objectives.

The automobile and highway system, for example, have exceeded our wildest dreams for individual mobility and personal independence. When considered for their contributions to urban standards of living, however, their image becomes more tarnished. The environmental effects of the auto are well documented. Congestion has become an urban cuss word. And for those who cannot afford a car -- which includes a majority of everyone in America who makes under $3,000 a year -- the automobile represents economic and social isolation. The same can be said of those over 65 years old who don't own a car -- and at least 45 percent of them don't.

These facts are not the fault of the auto, or auto manufacturers, or our 110 million registered drivers. They are the fault of our collective short-sightedness in not integrating transportation planning with urban growth.

At the turn of the century, New York City built its giant subway system to relieve congestion, undoubtedly thinking it was close to a total solution. Fifty years later Los Angeles decided on its extensive freeway system undoubtedly with the same thought in mind. Noted urban planner Wilfred Owen uses these two examples to point out that additional capacity will never overcome congestion if there is no control over transportation demand.

And demand is determined largely by housing, jobs, safety, commercial development, public services, recreation and so on. To ignore these demand factors in transportation development is to cast our talents and our energies into a scrap pile of wasted effort. In short, it does little good to invest in technology and systems research unless those activities are related to urban growth and community values.

A recent report to the Department of Transportation by the National Academy of Engineering underscores this point. The Academy's Committee on Transportation reported, "Technology makes possible a wide range of choices, but the choices need to be made in relation to urban goals." That challenge presents engineers, planners, and government leaders alike with a most difficult task. Call it evaluation. Call it technological assessment. But it all adds up to the same thing: transportation must serve the larger goals of society, as well as the more narrow needs for individual mobility. In my judgement, to resist this principle is to deny the political and industrial realities of the last decade.

We have seen a nation exert itself -- through the democratic process -- to demand safer and cleaner automobiles, to demand that aviation be compatible with environmental standards for air and noise pollution, to demand that mass transit alternatives be provided to relieve urban congestion, and to demand that a new measure of environmental protection be granted all aspects of our national life.

America is not alone in these demands. These are the social objectives of countless millions on all continents. And we must respond as a world family -- an international transportation family that knows the unlimited reaches of transport development.

Concern for the environment and related social objectives has forged a new set of criteria for the engineering community. Transportation must respond to the aspirations of users and non-users alike. And even captive users are demanding a new magnitude of quality.

I believe that these demands can be summarized in three preliminary conclusions concerning technological innovations in transportation. (1) All technology must be considered in an intermodal context. No one system can stand alone. (2) We have a lot of "off-the-shelf" technology that should be given new application to existing systems. And (3), we must be prepared to make new "trade-offs" between cost, performance and social objectives.

What these observations imply, and what I believe to be fact, is that we are on the verge of a technological revolution in transportation development. Our challenge is to promote it, give it direction, and insure that that direction is in the public interest.

This situation is perhaps best demonstrated in the current effort to develop an acceptable Vertical or Short Take-Off and Landing aviation system. We know the potential benefits of a short-haul aviation system in connecting airports, cities and intermodal terminals. But the development of a V/STOL system is constrained from ready application by a number of factors dealing with the total acceptability of service.

Locating terminals in downtown or suburban areas raises serious problems related to community safety and noise levels. This fact alone implies the need for new land use policies, new zoning requirements, new airport designs, and an aircraft that is considerably more quiet than most of today's versions. There are a host of unknown factors related to user and non-user acceptance. And finally, we must determine whether or not V/STOL can compete with ground modes in terms of efficiency, reliability, and economy. As Secretary Volpe announced last week, we have set forth a new short haul aviation program which addresses these problems. We want to combine governmental responsibility for public planning with private industry's capacity for technological development. We want to build the social and political requirements of the system into the technological development process. And I believe we can be successful. Aviation development today, like all other forms of transportation, amounts to much more than just one man or one company building an airplane. It took a team effort representing every scientific discipline to get us into space. And it will require the same kind of team effort to get us across town -- or across country -- in tomorrow's integrated transportation system.

Those of you here today provide the backbone of that team -- various social and scientific components that must all come together in every transportation system.

In the colorful words of American author Peter Drucker, "The sewage treatment plants that are urgently needed all over the world (to clean up the environment) will be designed, built and kept running not by purity of heart, ballads, or Earth Days but by...engineers working in very large organizations, whether business, research labs, or government agencies."

The same is true in transportation. I am among that group of engineers. And I look forward to working with you in developing tomorrow's transportation systems.

Thank you.

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DEPARTMENT OF TRANSPORTATION | NEWS

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REMARKS BY JAMES M. BEGGS, UNDER SECRETARY OF TRANSPORTATION, BEFORE THE SOCIETY OF CIVIL ENGINEERS, WASHINGTON, D. C., MAY 31, 1972

I am delighted to be here and I want to welcome you to Washington and to TRANSPO 72. I hope you enjoy our beautiful city and our very exciting exposition.

I want at the beginning to thank you members of the American Society of Civil Engineers for sponsoring this Conference. The fact is, transportation planning can use all the help it can get. The reasons for this are many, but unfortunately, both you and I have very busy schedules today so I must be brief.

The story of transportation planning is quickly told. Until recently, there was none.

Transportation grew in sort of a reversible cause and effect reaction. Harbors, river mouths, road junctions or railroad stops created towns and cities, and these towns and cities in turn created additional transportation facilities. No one ever bothered to stop for a moment to analyze the purpose or the result of such interactions. And, in truth, the system worked fairly effectively -- till recently.

In the last few decades, a tremendously expanded demand from a growing population, fueled by increasing affluence heated this reversible reaction to explosive proportions. The ready availability of that most convenient of vehicles, the private automobile, made a new way of life possible for millions of people. The automobile created our vast suburban communities with their large consolidated schools and shopping center economies and beltway industries. But the suburbs and the shopping centers and the consolidated schools all grew and grew, and in growing, demanded more private cars and trucks. The result, in many areas, was all too often a lop-sided dependency on one mode of travel. The result in quantitative terms is the key figure of 10,000. Every day, the number of private cars on our highways increases by 10,000. Ten thousand every day of the year. Each day, the number of new drivers receiving licenses

- more -

increases by 10,000. And every day, we record 10,000 highway accidents. And every day we waste thousands of hours in traffic jams and spill tons and tons of pollutants into the air. While the auto has greatly benefited the American people, and our highway and road system is the best in the world, we have overlooked transportation alternatives. There, in a nutshell, gentlemen, is the end result of a lack of transportation planning. The story in other modes varies in effect but it was, until recently, the same story -- no planning -- and minimal Federal support.

I say "until recently" because a number of major new laws initiated by President Nixon in the past three years have turned transportation around and made basic planning essential. Two of these are concerned with the environment --President Nixon's National Environmental Policy Act and the Clean Air Act of 1970.

The first law is unequivocal. It states that full environmental impact must be measured and considered before the Federal government can take any major action.

The second law is equally firm. It sets ambient air quality standards that all American cities must meet by 1976. A decision to build a new transportation facility - a highway, a rapid transit system, or an airport must now be made in the context of its effect on the total urban system. Now we must consider its impact on overall air quality, its impact on neighborhoods and housing, and its effect on land use patterns. We must also analyze alternative modes of transportation and services, including the alternative of no transportation at all at this time. Cities and metropolitan areas are being forced to address the issue of whether further growth and development are desirable and if so, how and when should it take place.

The polluting characteristics of each transportation mode must also be considered in the cost-benefit analysis done for each project.

This new environmental concern joins the issue of urban development and the resulting transportation demand as one process. Land use and transportation issues are too inter-related to separate; they must be seen as parts of one process.

The second group consists of three landmark transportation laws which, for the first time, make long range planning possible. The first of these is the Urban Mass Transportation Assistance Act of 1970 which calls for a 10 billion dollar program in Federal funds over a 12 year period to help our cities modernize and improve their public transit systems.

The second is the Airport-Airways Modernization Act of 1970 which sets up an Aviation Trust Fund made up of charges paid by users of the aviation system. This will assure the financing necessary for long-range aviation planning.

The third is the National Rail Passenger Act of 1970 which created Amtrak, thereby establishing the framework for revitalizing intercity rail passenger service and permitting the railroads to concentrate on their vital freight services.

Now for the first time, transportation is compelled to re-examine its role and devise long-range plans for fulfilling this role. At the same time, it has the resources to make this planning possible.

Of all modes, urban transportation particularly needs a long-range strategy for here the decisions are most critical. And I would suggest to you here today, concerned with urban transportation, a number of general precepts.

Most important is that you begin with the concept that transportation must be perceived within the total urban system.

I recommend, too, that decisions on transportation be oriented not toward mobility as an end in itself, but toward achieving community development objectives.

Here I'd like to clarify one point. One columnist criticized our efforts at TRANSPO because we didn't lay out a model city employing all our experimental vehicles in their optimum urban use. We don't see our job as being city planners. In fact, President Nixon has consistently urged legislation to return the decision-making process to the communities -- to the people who have to live with the results. Our job is to help develop alternatives -- ideas, equipment, systems -- from which planners may choose what kind of city they want to build.

Priority must also be given to the theme of your Conference here -- to the movement of people, not just vehicles. I urge you not to overlook such short-term, low-cost ideas as exclusive bus lanes, reversible rights of way, car pools, staggered working hours -- and, perhaps sooner than we expect, the four-day work week.

And, let's make transportation corridors count. Instead of planning just a highway or a street, should we include a transit system somewhere in the right of way? Perhaps a high speed rail system in the median strip -- or a people mover where it can do the most good. Can other public services be included, spreading the use of public funds to cover more improvements on less space? Can we move the whole thing underground and leave the surface for parks, pedestrians, and people?

We must take a new look at city streets. These streets -- occupying as they do, sizeable shares of land areas -- must serve larger purposes. Streets should be viewed as having potential for important open space areas, for full or part time recreation areas, and for public parking facilities.

Some streets, for example, might be used exclusively for buses: others exclusively for pedestrians: and others exclusively for trucks.

And the latter point highlights a problem which warrents more attention. The movement of goods in urban areas is a major problem in many of our cities. Trucks should not be forced to double park, or otherwise block traffic lanes while unloading. We should experiment more with techniques such as using transit systems to move goods during off-peak hours. And urban planners should place greater emphasis on goods movement.

I suspect you have gathered that transportation planning requires a whole new strategy of long and short-range actions to achieve a balanced, workable system and to overcome past short-sighted efforts. This strategy must set forth a package of legislative, political, technical, financial and administrative actions which are required to achieve program goals. An essential part of this package is citizen participation designed to educate the community concerning both real needs and the implication of good transportation design.

We have taken action to give those local communities more power in meeting their transportation challenges. President Nixon has sent to the Congress new legislation -- the Federal Aid Highway and Mass Transportation Act of 1972 -- which would initially set aside one billion dollars in highway trust funds to be used by local authorities -- as they see fit -- in resolving their local transportation problems. The key words are "as they see fit." We must break away from the present rigidity of the Highway Trust Fund. We must give these mayors and city councils and governors flexibility. Highways are not the only answer.

But most of all, good transportation planning demands a trip to TRANSPO 72. You will see out there fantastic new developments -- not just in vehicles alone -- but in the thousands of supporting systems.

We are demonstrating out there, what can be done. We are showing what is available. We are presenting the ideal -- the world of tomorrow in transportation. Our task -- yours and mine -- is to draw up a plan for reaching tomorrow -- a plan for bringing into being all the wonderful dreams envisioned in our pavillions. I hope you have a wonderful time at TRANSPO and I hope you come away enthused.

Thank you.

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