

U.S. DEPARTMENT OF COMMERCE

Statement of Alan S. Boyd
Under Secretary of Commerce for Transportation
before the Aviation Subcommittee of the
Committee on Commerce
United States Senate

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My name is Alan S. Boyd. I am Under Secretary for Transportation in the Department of Commerce.

Mr. Chairman and members of the Committee, I appreciate this opportunity to discuss with you the proposal to extend the Federal Airport Act.

The Department of Commerce favors enactment of S. 3096 which would extend for three fiscal years, beginning with the fiscal year ending June 30, 1968, authorization of funds for grants in aid under the Federal Airport Act. I would like to make a statement supporting the extension of the program.

The Department is interested in this bill as a result of the responsibilities of the Secretary of Commerce to foster, promote and develop the foreign and domestic commerce and the transportation facilities of the United States. The Department's interest also extends to the national defense aspects of an adequate national system of airports.

It is the Department's view that the provisions of the bill will facilitate airport development and we are of the opinion that extension for another three-year period is essential to allow for adequate planning of the national transportation system. Aviation is an implement

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of commerce, and the technology and economics of aviation assume an important relationship to the requirements of the transportation market. Fast and efficient air transportation, both passenger and cargo, speeds the flow of commerce and enhances the Gross National Product. Faster and more convenient cargo schedules to points abroad encourage greater export of U.S. products with consequent benefit to our balance of payments accounts. Improved airport capacities thus will promote further expansion of trade.

S. 3096 calls for an appropriation amounting in the aggregate to \$199,500,000 over three fiscal years beginning with the fiscal year ending June 30, 1968. This figure represents a reasonable amount viewed from the standpoint of funds requested by sponsors on the one hand and from a realistic budgetary concern on the other hand. Seven million dollars annually would be allocated for aid to general aviation reliever airports. This money will help to provide better facilities for the increasingly active general aviation aircraft sector and the allocation will aid in removing some of the overall traffic congestion at our busiest airports, a matter of continuing concern. A substantial portion of the delay incurred in major terminal areas results from deficiencies in airport capacity.

Aviation has become an integral part of our transportation system and is playing an ever increasing role in the movement of passengers and cargo. However, the future still holds even greater promise and we must do all we can to keep abreast of the demands that will be made on our transportation system. Recent announcements concerning the development

of a large subsonic aircraft that will be capable of carrying some 500 passengers cannot fail to capture our imagination. It will bring improved service and holds the promise of substantially reduced passenger fares and cargo rates. It is recognized, however, that such an aircraft will also bring with it a challenge in regard to the handling of passengers and cargo.

Although these large subsonic aircraft will not be in commercial operation until 1969, we cannot be complacent and wait until the first plane is delivered before the necessary airport improvements are made to accommodate the aircraft, passengers, and cargo. The military is developing an even larger subsonic aircraft and in a commercial version it will have a capacity of from 700 to 900 persons. This aircraft, the C-5A, is expected to be in service by 1969. In addition to the large subsonic aircraft, there is every indication that in the not too distant future the supersonic aircraft will be available. The British-French aircraft, the Concorde, is estimated to be in service in the 1971-1972 period and the U.S. SST is planned for 1974.

These new developments in the large subsonic aircraft and the SST's present a challenge. However, even more pressing is the increased number of jets, both large and small, that are presently being put into service by the air carriers, with resulting improvements in convenience, comfort and safety for the traveling and shipping public. Not only are there more jets in service, but more airports are receiving jet aircraft service. Seventy airports received jet aircraft service in early 1965. One year later, early 1966, 111 airports were receiving jet service. By

1967 it is expected that 130 airports will have jet service and by 1970, it is estimated that this number will increase to some 300 airports. These projections call for a continuing airport development program if jets are to offer the maximum service advantage and maintain the uncompromising safety standards that have been set.

Revenue passengers carried by air in domestic operations have been consistently setting new records. In 1964 some 82 million passengers were carried. By 1970 the Federal Aviation Agency estimates that some 107 million passengers will be carried. This will be an increase of 31 percent. The revenue passenger miles for 1964 were some 41 billion and the FAA estimate for 1970 is some 61 billion, or an increase of 48 percent. General aviation is also expected to continue its growth. In 1964 general aviation had a fleet of 89,000 aircraft, by 1970 it is estimated that this will increase to a fleet of 143,000, or an increase of 61 percent. The hours flown by these general aviation aircraft in 1964 were about 15.7 million hours; it is estimated by 1970 this will increase to 19.5 million hours, or an increase of 24 percent.

According to the U.S. Bureau of Labor Statistics, civil aviation employment amounted to about 280,000 in 1960. It is forecast that this will reach 360,000 persons by 1970. In addition, many more jobs were indirectly related to civil aviation activity. For the year ending September 1965, the U.S. certificated and supplemental air carriers had a total operating revenue of \$4.8 billion.

Just as aviation is an integral part of our total transportation system, airport development is an integral part of the aviation system.

Airport development is not only important because of the improved capability connected with the handling of aircraft on the ground; it is also important in regard to air traffic control. As ways are found to increase the use of air space, ground handling must keep pace to complement these benefits. If ways are not found, valuable time will be lost on the ground and we will not fully benefit from the developments of improved air traffic control.

As technology improves in the area of vertical and short takeoff and landing aircraft (V/STOL) and an economic aircraft is developed, additional demands will not only be made on existing airports but a whole new concept will have to be worked out for close-in airports. There is no doubt that the work that is being done by the military in developing an aircraft with V/STOL capability will have useful application in the civilian sector. The development of the V/STOL will be another important link in the development in an overall transportation system in the U.S. At present, the passenger taking a relatively short trip takes up a larger proportion of his time on the ground than he does in the air. With the development of the V/STOL and an airport program that keeps pace, much can be done to reduce the time presently taken up on the ground. Recently, the Department of Commerce released "A Systems Analysis of Short Haul Air Transportation" that was prepared for it by the Massachusetts Institute of Technology. This study concerned itself with looking at the potential of air transportation in the Northeast Corridor in the 1970-1980 time period. Among other things, the report considers the travel demand and the ground facilities necessary to meet that demand. Continued improvement of present airports and development of city center sites play an important

part in the planning of an air transportation system that will assist in the development of a unified national transportation system.

Assistance through the Federal Aid Airport Program should be continued to assure our peacetime expansion of air transportation and its contribution to the growing economy of the Nation. There is also a requirement to assure sufficient flexibility of air movements under emergency conditions. As you know, the Department of Commerce has been delegated the responsibility for planning, programming and initiating actions designed to assure an adequate and effective utilization of air transportation and related facilities in the event of an emergency. An Office of Emergency Transportation was established within the Office of the Under Secretary for Transportation to include, among other things, a centralized control of all modes of transportation including air, ground, water, and pipeline, under all degrees of national emergency. Further responsibilities cover the proper apportionment and allocation of the total civil transportation capacity, or any portion thereof, to meet essential civil and military needs. The current Civil Reserve Air Fleet (CRAF) allocation to the military lists 358 air carrier aircraft, 81 of which are designated for the domestic CRAF, the remaining 277 aircraft for the overseas CRAF operations. There is little need to stress the importance of adequate airports and ground facilities to the successful implementation of both domestic and overseas CRAF operations. Additionally, the Department has allocated the remaining U.S. air carrier aircraft to the Civil Aeronautics Board for use in the War Air Service Program (WASP), which will also make an important contribution to the national defense

effort. The effectiveness of both these programs is related to an adequate national system of airports and related facilities.

The aircraft manufacturers, the airline industry, and general aviation are all playing an important role in the commerce of the United States. In addition, all are making contributions to the overall transportation system. Whether they are to have their maximum impact and fulfill their potential will depend to a large degree on the capacity of the airports. As the Committee is well aware, while aviation is an important part of the transportation system, it cannot perform its function in a vacuum. The aviation system, to be fully effective, must be adequately supported by related surface transport, airport access, airport development, etc. This support applies to passengers and cargo, and covers highway, rail and maritime links. Programs such as the Federal Aid Airport Program must increasingly be viewed in terms of their contribution to a total and coordinated transportation system.

Extension of the Federal Airport Act will help us keep pace with the technological advances that are continually being made and thereby contribute to the development of a broad based transportation system.

Thank you for this opportunity to present the Department's views on this bill.