

OVERVIEW PRESENTATIONS

AVIATION'S ROLE IN THE NATIONAL TRANSPORTATION POLICY

Dale E. McDaniel
Federal Aviation Administration

One of the activities in which I am presently engaged is Chairman of the Intercity Passenger Cluster, which is an essential component in the development of a national transportation policy.

The Need for a National Transportation Policy

The transportation system is one that, by and large, we take for granted, even though it has a dramatic impact on the way in which we live and how we live. A recently issued U.S. Department of Transportation (DOT) document, "Moving America," gives facts and figures with respect to the importance of transportation in this country. I will just repeat one or two of those figures for you, because I think they have significance.

About twenty percent of the gross national product is associated with the transportation system and the movement of goods and services in this country. Transportation accounts for 25 percent of the energy consumed in the United States. Last year, people who traveled in the U.S. domestic transportation system traveled nearly four trillion passenger-miles.

Four trillion is a number that does not mean much to a lot of people. To put it in perspective, it is the equivalent of moving the entire population of the States of North Dakota, South Dakota, Wyoming, Montana, Idaho, Colorado, Oregon, Nevada, and Utah to the moon and back again in one year.

Transportation does affect how and where we live. It opens up possibilities for where we live, where we work, and the kind and quality of life we enjoy. Transportation makes it possible for people on one side of the country to be within a few hours' distance from their family on the other side of the country. What has been said of architecture in this country is, I believe, even more true of transportation: we shape our transportation systems, and then our transportation systems shape us.

Once we decide on the transportation system we want, the transportation system makes the decisions for us about how and where we go. It is important, therefore, to look at the shape of the transportation system that has evolved and to recognize that not all

the parts of that system are working to their full potential.

At this workshop you will talk about congestion at airports and the need to come to grips with the problem of providing additional runway capacity to accommodate growth in the system. There are 18 airports today with delays of 20,000 hours or more annually. Even if we do everything that we are now planning to do in terms of expanding system capacity, that number will grow to 34 airports by 2010.

We know that the investment we are making in system infrastructure is not sufficient to keep pace with the demands being placed on that system. Merrill Lynch recently published a survey of infrastructure investment in the United States in which they found that in 1964 the United States was investing approximately 2.2 percent of its gross national product in building and rebuilding the infrastructure. Today we are investing approximately one percent of our gross national product in building and rebuilding the infrastructure. This is not a one-year drop, it is a steady decline from 1964 to 1989.

We also know that the recently completed interstate highway system was designed for a 25-year life. However, at the end of seven to 10 years the highway system is beginning to crumble.

We are pushing ahead of ourselves a bow wave in investment in the infrastructure that we are going to have to meet.

We have also developed a transportation system that does not work well at the nodes. At National Airport in Washington, for instance, a Metro station was installed four blocks from the main terminal because originally there was no stop planned for National Airport. It does not provide the most efficient way for moving people to and from that facility. However, a Metro stop was built at Union Station so that you can get to the trains from the Metro. But then the Greyhound bus depot is some four blocks away! And now consideration is being given to locating a heliport maybe half a mile away from that.

Unfortunately, this situation will not automatically improve. That is the void into which U.S. Department of Transportation Secretary Samuel Skinner has stepped, and he has stepped very firmly by saying that what we need is a national transportation policy to guide the future development of our transportation network.

When he announced in July 1989 that we were going to develop this policy, what he did not tell us was that he planned to complete it by January, 1990. You may say that other secretaries of transportation have had policies before, so what's different about this one? Why should it have any greater impact on the system? I will give you four reasons why I think this policy will be different.

First, it is an idea that has not floated up from the staff level up to the Secretary. It is one in which the Secretary has said it is his top priority. He wants to develop a national transportation policy to have a blueprint on how the system is going to evolve.

Second, most secretaries recognize, toward the end of their tenure, that they have done a lot of good and important things and that they should institutionalize those things for their successor. Then they decide that they will develop a policy so that their good ideas will be institutionalized. And then they don't understand why their successors don't follow the policy which they have adopted. Secretary Skinner has taken a somewhat different approach.

At the beginning of his four-year term, he said, "I intend to have a policy with respect to transportation in the United States." And he is doing it in a time frame where he will be able to help implement that policy and be judged by the results. The Secretary is putting himself on the line.

The third point is that the Secretary intends to implement the policy he has adopted. He doesn't want just to adopt a policy. He does not want a policy that will be put on the shelf. He wants a policy which, in fact, he can put into practice.

Lastly, he knows that in order to implement the policy, he needs a number of partners. He needs partners within the Administration and the Congress to support him, because there are other players in the transportation business in the United States Government besides the Department of Transportation. He also knows that he needs partners among the States and local governments. He knows that he needs partners in the transportation community. He knows that he needs partners among those who provide transportation services and those who use transportation services.

How the Policy is Being Developed

Part of the policy-making process is an extensive consultative effort. The Intercity Passenger Cluster Group is one of six groups designated to look at

various aspects of transportation. The other cluster groups are concerned with international transportation, intercity freight transportation, urban and suburban transportation, rural transportation, and innovation and human factors.

The job of these groups is twofold. One is to identify the issues facing these particular elements of transportation. In the Intercity Passenger group we identified such issues as rebuilding the infrastructure, making the infrastructure more efficient, building for the future of transportation, and looking at safety, environmental and energy issues. The second part of the job is to consult as widely as possible with the experts and the general public to hear what they have to say about these issues.

Since early July, we have been moving back and forth across the country talking to people about the issues. We will be finishing up our consultation process by the end of this week and submitting our recommendations to the Secretary's core policy group by the end of this month. (September 1989, ed.)

We have talked to about 200 interest groups. We have received hundreds and hundreds of pages of public testimony, and thousands more pages of written testimony. We are beginning to sift through this information now to develop our recommendations.

The Transportation Research Board has been especially helpful to us in this process. Last week they helped us pull together a number of specialists from various modes of transportation to help us think through the issues as a group or "cluster". The question we posed to them was: if you were to recommend to the Secretary what his policy should be with respect to these key issues, what would you say?

It was an instructive exercise. We had about 20 people representing highways, rail interests, aviation interests, people who were affected by transportation, -- people, such as the Environmental Institute, and those who are dependent upon public transportation, such as the Paralyzed Veterans of America, who have not always been included in transportation discussions.

From the dialogue there emerged general agreement on a number of principles, many of which echoed the comments and suggestions we heard from other groups across the country. I would like to share with you, first, these points of agreement and then some of the sharp differences of opinion that emerged on key issues facing transportation in general and aviation in particular.

Areas of Agreement

First, I would say that the process demonstrated that people care about the way the transportation system works. A wide range of people, from CEOs of major organizations to individual citizens who had a concern about transportation came and spent a day at public hearings, sitting and listening and then submitting their written comments, often 10 and 20 pages in length, about the things that they thought needed to be done in order to make transportation serve society better. There was a great interest in the process and a great commitment by the people who participated.

Secondly, people said universally that there was a need for the Federal Government to exercise strong leadership in the development of the transportation policy. This includes State and local governments at all levels, the users of the system, and those who are affected by the system. Their view is that transportation is, by its nature, national in character, interstate in scope, and there needs to be a national plan that has a long-range commitment.

That does not mean, in any sense, that the Federal Government should, or that people would want it, to dictate how the system unfolds. But there needs to be a core direction -- a long-range view -- to which people can respond and make their own adjustments within the State and local governments.

The Federal Government should concentrate on a third area of agreement, relating to long-range activities. These include: (a) a more effective job of planning the intermodal nature of transportation and how it will work; (b) more research and development of technology, which, without Federal Government involvement, is unlikely to be carried out by other partners in the system; (c) continuing Federal emphasis on the highest levels of safety in the system; and (d) guidance for appropriate expansion of, and investment in, the existing infrastructure.

Fourth, the people said that the system needs to be developed and implemented by a partnership of all of the players involved. The Secretary's commitment to do that was reinforced by the people we talked with.

Fifth, people said that we need to preserve the infrastructure of transportation. We have built a system, and we have invested heavily in rights-of-way, airports, and other facilities. We cannot afford to neglect them. We should not lightly abandon rail lines. We should protect airports from encroachment by community development that will inhibit or preclude

their future use. We should be certain that the interstate highway system is in the finest condition possible.

Sixth, there was an implicit agreement that people were willing to support financially, in a reasonable way, the vision which they hold.

Seventh, there was agreement that we need to improve the quality and convenience of our public transportation system. We can Federal Express a package from door to door, but there is no way to Federal Express a passenger. Each time you change an element in the system, it is incumbent upon the traveler to get information on the options available for the next leg of the trip and to make appropriate connections. By the way it provides funding grants and the way it designs systems, the Federal Government contributes to modally biased systems. There is agreement that we, as a country, need to do a better job of making the parts of the system work together.

Eighth, there is universal agreement and support for a national aviation noise policy that appropriately balances the need for a national transportation system with the rights of citizens to determine the character and nature of the community they would like to have and with the right of user access to the airport.

Finally, there is agreement on the need to improve the transportation data we collect and use to assure that transportation decisions are based upon what is actually happening.

Areas of Difference

There were sharp differences on a number of issues. While it was widely agreed that there should be a level playing field on which the various modes of transportation compete, there were divergent views of what that means. How does the Federal Government invest in one mode and not in another? By what criteria should judgments about those investments be made?

A second major area of disagreement was how to allocate the costs of rebuilding and expanding transportation infrastructure. Is it appropriate, as some argue, that only the users of the transportation system should bear the costs of those improvements, or, as others argue, should the costs be more widely distributed to society generally by general taxpayer and user support? Should this be done at the Federal level, or should we rely on States and local governments to undertake the initiatives necessary to

raise these funds? If we rely on general revenues, can we hope to raise the amounts necessary, given the deficits we face at the national level?

Third, there is sharp disagreement over noise policy and how to balance the needs of the national system and the rights of communities. Where does one stop along the balance scale? People recognize and affirm the need for a policy, but they disagree on its implementation.

Fourth, there is disagreement about how to use market mechanisms most effectively to provide transportation services. There are those who believe that market forces should, could, and do, respond to transportation needs and ought to be used to the maximum extent possible since they are the most powerful tools available to make the transportation system work effectively. Others argue equally strongly that, while market mechanisms may be appropriate for major segments of society, there are many who are dependent upon transportation for mobility that might have no access to the system and be left out if the marketplace is the only decider. They include those who may be disadvantaged because of physical handicap, the elderly, and those who cannot or do not drive automobiles. Such persons argue that there should be a way of factoring their transportation needs more effectively into the decisions made at the Federal and local level.

Finally, there is disagreement about whether we should stay the course with regard to the system that is evolving, or make some incremental turns leading to a significantly different direction of transportation development. There are some who argue that the effectiveness and the efficiency of our economy depends basically on the flow of people and goods at the lowest possible transportation cost. This is the direction we have taken, and this is the direction we should continue. Others argue that the full costs of providing transportation are not appropriately allocated and borne by the consumer. We are using a nonrenewable resource, petroleum, as a primary energy source; and we have not accounted fully for the costs of the fuel we use in our automobiles and airplanes. Nor have we accounted for the environmental costs associated with the use of petroleum. They argue that such costs should be appropriately factored in and that the revenues from transportation should be used not only to provide more effective public transportation services but also to develop alternative fuels and propulsion systems.

On these issues and others identified by other cluster groups the differences will have to be hammered out.

Secretary Skinner's transportation policy will be announced in January 1990 at the Annual Meeting of the Transportation Research Board. I hope that all of you will be there to hear not only the results of the current process, but also to be in on the beginning steps of its implementation.

Public Perception of Transportation

I will share with you one more observation on the things that we have heard on transportation policy as we have gone around the country. It has to do with the way we view transportation. I was struck by the way that transportation tends to be viewed through negative eyes.

People think of transportation in terms of the congestion they experience, the potholes they drive over, the delays at airports, or the missed connections and lost baggage. It used to be said that "getting there was half the fun", but today I am not so sure. The way that we have allowed our transportation system to erode or fail to keep pace has caused us to lose sight of its strongest attributes. That came home to me particularly as I thought about the provision in the Federal Aviation Act of 1958 -- and even earlier in the Act that created the Civil Aeronautics Authority in 1938 -- that calls upon FAA to foster and promote the art and science of civil aeronautics, both nationally and internationally.

That provision in the legislation has, from time to time, caused controversy. There are people who say it is not right for the Federal Aviation Administration to foster and promote since it is also responsible for the safety of civil aviation. How can FAA be responsible for safety and foster and promote aviation at the same time? This overlooks the fact that the best promotion might be a system which is the safest system.

Yet, people have made that argument from time to time, and still do. A number of prominent political figures and a former Secretary of the Department of Transportation, in fact, have said that FAA should not be in the business of fostering and promoting aviation. As I thought about that, and reflected on the negative comments and views that people tend to have about transportation, I came to the conclusion that it was 180 degrees out of sync with the proper government role.

Rather than deleting the provision in the Federal Aviation Act to foster and promote, perhaps we should add that provision to other Acts. If we want the best transportation system that this country can provide, if we demand the best kind of public

transport options, mobility, and services, maybe we should call upon ourselves in legislation to foster and promote that kind of system.

Those of us who are providers and users of the system, need to begin to change the public attitude about transportation and the services it provides. One of the ways that can be done is by doing the best possible job

DATA NEEDS FOR NATIONAL TRANSPORTATION POLICY

Rolf R. Schmitt
National Transportation Policy Team
U.S. Department of Transportation

It may be helpful for you to know that the National Transportation Policy Team is a truly intermodal, eclectic gathering of senior analysts from FAA, the Office of the Secretary of Transportation, Federal Highway Administration, Federal Railroad Administration, the Coast Guard, and the Maritime Administration, and others. We are trying to take a comprehensive and multimodal view in response to the Secretary's concern with strategic planning and his wish to assess where the Nation's transportation system should be going. The policy statement should be released by January 7, 1990. The last comprehensive assessment was made 10 years ago by the National Transportation Policy Study Commission, and the last comprehensive study by the Department of Transportation was done in 1977.

My involvement in national policy studies and my other experience has been from a surface perspective: mainly in urban issues, freight issues, and highway issues. Those issues have remarkable parallels to your concerns with congestion and growth, environmental constraints on airport capacity, and "smart airports" (which I hope will be at least as intelligent as our proposed "smart highways"). Both highways and aviation are facing growth in demand with limits on supply, and the extent of future growth is not clear. If you look at population trends according to the Census Bureau, the population of this country may actually hit a peak and stabilize or even begin to decline somewhere near 2020. Some have suggested that, if we meet all of the capacity needs that we

of explaining the nature of transportation, identifying trends, and assessing the implications for the future.

That is the purpose of this TRB workshop, and we appreciate your effort. We also appreciate your full involvement in the development of the transportation policy, and we will look forward to working with you when that policy is announced and its implementation begins.

foresee by 2020, we may build for the ultimate peak load and end up with overcapacity in the long run. On the other hand, we have been saying that for many years on the highway side. There just cannot be so much time in the day that people are willing to drive cars, and there cannot be so many cars in the world because there just are not that number of people. Yet we have not hit saturation yet on the highway side, and I suspect the same to be true on the aviation side.

Moving to data issues, I look from my surface perspective at you in aviation with a real sense of envy. You actually know how many planes you have got in your system. You have some idea of how big your system really is. You actually take note of origin and destination patterns and try to monitor what is going on.

Those of us on the highway side spend a lot of time fighting over how many vehicles there are in the country, and what is a truck. When you ask for information like that from 50 different states, you get 50 different definitions. That's called federalism.

You have great data resources that we are envious of, and I know that you have had a fight to keep these resources in the face of deregulation, budgetary constraints, and paperwork reduction mandates. Your success in maintaining your information resources has been a success story for the other modes to follow.

Your battles are certainly not over, and I am certain you professional "number crunchers" all feel that there are many data elements that need to be improved. There are certainly many opportunities for improvement, and many challenges to keep what information we have.