



DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY WASHINGTON, D. C. 20590

STATEMENT FOR SECRETARY WILLIAM T. COLEMAN, JR. FOR OPENING OF THE NEWS CONFERENCE ON THE MOTOR CARRIER REFORM ACT, NOVEMBER 13, 1975

The Motor Carrier Reform Act being sent to Congress today by President Ford is the third in a series of Administration proposals to revise federal economic regulation of the transportation industry.

This legislation is long overdue and is badly needed as the President's prior proposals for railroad and airline regulatory reform.

It is significant to note that while there has been much talk and little positive action on this subject in other quarters President Ford has been hard at work. The result is we now have comprehensive legislative suggestions in three vital areas -- railroad, trucks and buses and aviation. Also, under President Ford's guidance -- and I might say prodding -- we have begun reforming the regulatory procedures within the Department of Transportation.

As noted in my National Transportation Policy issued two months ago, regulation has not kept pace with changes in the transportation industry and the company.

The transportation industry has become accustomed to regulatory protection. This protection has limited private initiative while fostering inequities and inefficiencies. The fact is these industries are inherently competitive and economic regulation inhibits competition.

The Motor Carrier Reform Act will benefit the consumer, the shippers and the industry.

Consumers will benefit because it will promote economies and provide greater opportunities in price and service.

Shippers will benefit because they will be permitted broader use of available capacities and have available a greater variety of rates and services. Wasteful backhauls will end. Energy consumption will be reduced.

The industry will be helped in their effort to improve service, correct costly inefficiencies resulting from overly restrictive regulations, and improve their already overall good safety record.

It will enhance opportunities for well-managed companies to earn a reasonable return on their investment thus creating capital and employment opportunities.

Let me point out also that while this is primarily a trucking bill it will assist the traveling public as well by encouraging increased variety in motor bus fares and services.

It should be emphasized that we are not recommending sudden or disruptive changes. They will be phased in gradually with the stability of the industry and the best interest of its customers very much in mind.

I do not believe that at this time in our free enterprise system we can afford to have naturally competitive forces constrained to the point that efficiency is impaired, innovation is stifled and the public interest is harmed.

Our nation needs the motor carrier freight and passenger industry operating at peak efficiency. Therefore, I am hopeful the Congress will act favorably on the Motor Carrier Reform Act. Its passage, along with the railroad and aviation reform measures we have proposed, will modernize the economic regulatory process. This will enable the industries concerned to respond more effectively to our nation's transportation needs.

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