

prepared for delivery at the

Cape Fear Traffic Club  
Wilmington, North Carolina  
March 1, 1977

I want you all to know that the rest of us, down there in our little cars, appreciate the kind of service the trucking business provides. People forget about it sometimes, I think, and get mad at the truck in front of them, that may be keeping them from exceeding the speed limit. Some people would still resent the truck even if they realized that everything they're wearing, and their little car too, probably was delivered by a truck.

The trucking industry is mighty important to every American. It has been called the "lifeblood" of the American economy, and the comparison is pretty apt. Along with the railroads, the trucking industry is like the bloodstream of the human body. It is the part that moves, and when something

interesting things happen. In the human body, the blood goes by the lungs and picks up some oxygen, and takes it everywhere, and keeps the body alive. In the American economy, a similarly wonderful thing happens whenever goods are moved: somebody somewhere makes some money--and that's what helps provide a better life for us all.

I know some of you feel some degree of uncertainty about the future, because you're wondering what kind of changes in the law or the regulatory structures might be coming up, that would affect your livelihood. I'll try to talk briefly about a couple of the transportation issues that you might have been thinking about.

Last year, the Ford Administration sent a bill to Congress which was called the Motor Carrier Reform Act of 1976. The

stated aim of this bill was "to increase competition and foster better service in the Trucking Industry."

Basically, what this bill would have done, was to ease up on some of the guidelines for entering the Trucking Business. Those in favor of this bill said it would increase the number of trucks on the road, and that more competition would result, and eventually, more competition would result in better service to the public.

The opponents of the bill, which included most of the people already in the trucking business, felt that relaxing the rules on entry into the business, would result in a chaotic situation. It is true that, before the passage of the Motor Carrier Reform Act, back in 1935, a de-regulated situation existed in the trucking business, and anybody with the price of a downpayment could get a truck and hit the road.

A great number of these would-be truckers went out of business about as fast as they went in, because the price of fixing a flat-tire busted their operating margin.

Now, of course, under the presently existing regulations, a person has to have evidence of justification and need, and has to have a sound financial basis. This kind of regulation does provide a certain stability and continuity that are desirable. I think we will have to take a good look at the issue of de-regulating the trucking business, and see what it's long-range effects would be. If we are going to change the rules, we have to make sure they are changes for the better, and not just for the sake of change.

Another part of the current regulatory structure is designed to make sure that adequate transportation service is provided to all parts of the economy.

There are those who feel that adequate service would be available at reasonable rates, even without the regulations.

Some of the experts and economists say this will work, and that the free market would provide enough incentive to provide the service that sparsely populated rural areas might need. I'd like to hear from you whether you think this would actually happen.

I'm sort of worried that a small town, for example, would get adequate service, if the ICC didn't make somebody serve their transportation needs. It's my impression that the concepts of averaging and cross-subsidation have been working pretty well, and I would be reluctant to tamper with them,

unless we can think of something better.

Probably the biggest question to my mind about transportation concerns the ICC. I can't understand why it has to take from 20 to 28 months sometimes to dispose of an application. This seems like a great injustice to the applicant, and injures the whole transportation business. When you have somebody just sitting on the fence for over two years, unable to move one way or the other, he can't make plans, the people he serves or works for can't make plans, and everything just pretty much comes to a stop.

It reminds me a little bit of the criminal justice system-- just about the most "cruel and unusual punishment" I know of, and probably the biggest single reason for the increase in crime, is that people don't get a speedy trial--instead, things are just put off, and delayed, and left hanging. Well, that's

what happens a lot of times to truckers' applications to the ICC. We get letters all the time from people who have applied to the ICC. They're not asking anybody to put any pressure on the ICC to look favorably on their request-- we couldn't influence them anyway, and wouldn't if we could, but often, we can write a letter in support of the application, or make a phone call, or some thing like that. But most of the time, these truckers aren't complaining about the decisions of the ICC, they're just trying to get them to make some kind of quick decision, so things can get moving again, and people in the trucking business and other fields can make a few plans.

The trouble with the ICC, and a lot of the governmental agencies, is that their success<sup>is</sup> not what determines their continuation. In business, trucking or agriculture, or whatever, if you're going to be able to keep doing what you're doing,

you have to be successful. And to be successful, you have to work hard, be conscientious, and take peoples' feelings into account. These considerations produce good service.

In some of the government bureaus, it's not that way.

There are unelected officials, who are not accountable to anybody on a day-to-day basis, and whose jobs don't depend on whether they serve the public well. We try to keep an eye on them, but its a constant battle to try to encourage them to decide on applications quickly.

You know, I read somewhere the other day that one person out of every  $7\frac{1}{2}$  Americans works in the trucking industry and related fields. You do a good job, and we're proud of you. We now have the cheapest, most extensive transportation system in the world. It may need some changes, but they will have to be for the better, and we'll have to be sure before



we start tampering with a system that works. And, I believe,  
most of the changes that may be needed will be provided by  
the industry itself. Thank you and "keep on trucking."