

STATEMENT OF SECRETARY OF TRANSPORTATION WILLIAM T. COLEMAN, JR. , ON THE CONCORDE DECISION BEFORE THE HOUSE GOVERNMENT OPERATIONS COMMITTEE SUBCOMMITTEE ON GOVERNMENT ACTIVITIES AND TRANSPORTATION, TUESDAY, FEBRUARY 24, 1976.

Mr. Chairman and Members of the Subcommittee:

Thank you for your invitation to appear to discuss my decision permitting British Airways and Air France to conduct limited scheduled Concorde operations to and from the United States for a trial period of up to 16 months under certain precise restrictions. I would stress "up to" 16 months. For the trial period can be cancelled on 4 months notice or indeed forthwith if at any time the Secretary of Transportation believes there exists a threat to the health, safety or welfare of the American people.

This Subcommittee rightfully has a special interest in the process that led to my decision. In your oversight responsibility, you have already examined, appropriately and thoroughly, earlier stages of that process. When I appeared last December 12, I described in detail the steps I was taking to ensure that my decision would be based entirely upon the public record, following a fair and impartial hearing in which all parties would have an opportunity to state their case, present relevant evidence and have their views weighed on the merits.

Although the process has been time-consuming, I hope you will conclude that it has been open and fair. It has involved weighing the

often uncertain evidence, sorting through the sometimes conflicting statements, and trying ultimately to find the actual facts. I wanted facts to be my guide. But I was not simply concerned with the statistics of scientific measurements. If that had been my only guide, I could have simply relied upon the environmental impact statement in which the objective noise descriptors showed that the Concorde is noisier than the subsonics on take-off and noisier than most but perhaps not all subsonics on landing, but that the incremental impact of a few daily flights on the cumulative noise exposure around Dulles was barely perceptible and around JFK was arguably not significant.

But I was also concerned with the subjective characteristics of the communities' response to aircraft noise, and, particularly to the unique characteristics of Concorde's noise, and I listened to the views of parents and teachers who testified movingly about how difficult airport noise already at airports made their lives and the lives of their children. On the other hand, there is great doubt whether Concorde will add appreciably to whatever noise is already there. It was in large measure, this testimony plus the doubt that convinced me that, however compelling the arguments of technological progress, international fairness, and commercial benefits may be, I should not grant final and permanent approval to allow the Concorde to operate in the United States without a testing period in which to evaluate further the environmental

consequences of this aircraft. For in making a decision of this kind we must consider human values as well as technological calibrations. But we must also recognize that uninformed emotion is not an appropriate basis for a government's decision and that we cannot base a responsible decision on the myths and misconceptions, the charges and counter-charges, that have preceded the Concorde's arrival.

In my review of the facts I found that there is so much on both the environmental and the technological sides of this equation that we did not know and could not know without observing the Concorde in actual commercial operation into the United States, that a final decision at this time either to admit or to bar the Concorde would be irresponsible. That is why I decided a limited demonstration was appropriate.

In choosing a controlled test, I carefully weighed the costs and benefits of a demonstration. If there are some environmental risks and hardships for even the trial period, they are very limited. On the other hand, the trial will offer invaluable opportunities to substitute knowledge for hunch. It will enable us reliably to assess the noise impact -- subjective as well as objective -- throughout the year, to seek additional information about the stratospheric impact that knows no national boundaries, to seek international agreement on regulation

of supersonic flights, to test consumer and community response, to determine whether supersonic transport can be commercially successful, and to enable U. S. and foreign manufacturers to make a judgment about whether it is economically sensible to develop a second generation of clean, quiet, energy-efficient SSTs that could become the aircraft of the future.

The question of whether the 6 flights are to be permitted to continue beyond the 16th month will be decided within the 16 months but only after careful analysis. It is my judgment that we will then be in a position to make a decision that is fair to all the parties affected by it and fair also to future generations who must live with our decision. Thus, the dialogue on Concorde will continue; hopefully, the myths and unsubstantiated theories will dissolve thereby allowing us to concentrate on the facts that remain before us.

But myths tend to persist even though the facts establish the contrary, and this case has been no exception. I would therefore like to identify and address three among the many persisting myths that surround the Concorde at this time.

It has been argued that because, in 1971, the Congress decided not to fund an American SST proposal, it follows that we should not allow a European built SST to land in the United States. The argument is even made that to do so would discriminate against American manufacturers.

This assertion is without foundation in fact or reason. The Congress made a decision not to expend limited federal resources on the commercial development of a particular type of aviation technology, largely because of other more important demands on the Federal budget -- demands such as education, health, mass transit and many others. The fact that we made what in my view was a wise decision at the time about federal resource allocation does not in any way control the issue before us today. The British and French obviously reached a different conclusion about the allocation of their resources. I see no particular reason to second guess the wisdom of their choice, and neither the Congress nor the executive has any constitutional warrant to do so. Perhaps some day we will be grateful, should the SST succeed commercially and environmentally, that our allies did make the investment. If on the other hand the Concorde turns out to be the mistake that some have claimed it is, we should also be grateful for the opportunity to have learned from another's trial and error. In any event, the issue that was before me was whether we should give the Concorde a limited opportunity to prove itself and thereby benefit from the knowledge that we will share with our allies concerning the feasibility of this technology, not whether federal dollars should be used to develop a commercial SST. They are very different questions.

A second myth is that by allowing the Concorde demonstration, I have somehow opened the door to unlimited SST flights and even reopened the issue of U. S. SST funding. Let me put both these misconceptions to rest. First, there will be no extension beyond the original 16 months of any flights without a thorough environmental analysis. There will be no addition of flights by these two or other airlines without a new environmental impact statement. This demonstration is exactly what a demonstration is supposed to be — namely, an opportunity to determine whether a technology should be prohibited or permitted. No presumption either way respecting the decision on final approval will arise from my decision authorizing the demonstration. Second, at least this Secretary of Transportation must say that, given the requirement of improved mass transit, the urgent need to rehabilitate and restructure the nation's railroads, our commitment to completing the interstate highway system, and the need to upgrade the air traffic control system, I would find it hard to support the creation of a new federally funded SST program to build a private commercial aircraft. It would take an overwhelming case to convince me that such would be a "judicious" use of limited federal transportation resources at this time. Of course, U. S. aeronautical manufacturers should make their own investment decisions, based upon the knowledge obtained from the demonstration. If a second generation of environmentally acceptable and economically proficient SSTs could be

developed, this could be a substantial transportation benefit for mankind. But the development of commercial aircraft technology, leaving aside perhaps some federal support for basic research and development, is a responsibility of the private sector.

A third myth is that by letting the Concorde in I am discriminating against U. S. carriers. It might be true that, if the Concorde is commercially successful it will probably divert revenues from U.S. international flag carriers as well as national carriers other than the British and the French. There is some dispute on this point. But more to the point this was not a consideration appropriate to the decision I had to make under international treaties and agreements and in the spirit of international reciprocity, of which the United States has been the primary beneficiary. We would not, after all, welcome a decision by the British and French to exclude a U. S. -manufactured product because it might compete unfavorably with British and French products.

Further, I believe that competition to the maximum extent possible is the best way to preserve a healthy industry. And fair competition means new and innovative options of price and quality of service. But it also means that those who compete must not engage in unfair competitive practices. As I have applied a standard of fair competition, so I would expect the British and French air carriers to do the same in

the establishment of Concorde fares. Thus, although the responsibility for applying the rules of fair competition between United States flag carriers and carriers operating the Concorde, at least insofar as they affect the establishment of compensatory fares, is vested in the Civil Aeronautics Board, subject in some cases to Presidential review, I fully intend to recommend to the Board and the President, in my capacity as Secretary of Transportation, that the rates established for Concorde reflect the costs of the service provided.

I know that many members of Congress do not agree with my decision. I know that many who supported either unconditional permission for Concorde operations or a complete ban on them are disappointed. I am not here today to defend the Concorde. Either I or a successor will one day have to make a difficult decision about whether to permit continuation of the operations in the United States. I do, however, defend the process that I have used to resolve this issue as one that is calculated to arrive at an open and responsible decision and to lay the groundwork for an eventual decision which will be based on the best possible information.

I believe that copies of my opinion and my opening statement at the press conference at which it was announced were provided to you on the day of the decision. However, I would like to submit them now for the record. I hope you have had the opportunity to read the opinion and the material it contains. I shall be happy to try to answer any questions you may have.