

The Supersonic Transport Program

Statement by the President Urging Reversal of the Senate's Disapproval of the SST. December 5, 1970

The action of the U.S. Senate in disapproving the SST is a devastating mistake both because of its immediate impact and because it will have profound long-range consequences for this country. I urge both Houses of Congress to reverse this action.

Because of our transition from a wartime to a peacetime economy we are experiencing substantial unemployment in the aerospace industry. The Senate's action means the loss of at least 150,000 jobs in that and other industries.

Another immediate impact results from waste. The SST prototype phase is now 50 percent complete. Halting work now—and destroying a development effort well on its way to completion—would be a waste of nearly \$700 million of our national resources. It would be like stopping the construction of a house when it was time to put in the doors. There is another aspect to this waste: It would cost nearly \$278 million in contract terminations under the present law to simply close down this project—only slightly less than the \$290 million being sought at this time to continue the program.

Most important, taking a longer range view, halting the SST now could well be a mortal blow to our aerospace industry for years to come. The research and development and the accomplishments of this industry have been major factors in giving the United States a superior position in the field of technology. We must not abandon this national advantage now.

Beyond the effects on the aerospace industry, the SST program will have an extremely important impact on our whole economy. It will have a deep effect on our balance of payments and on the tax revenues coming into our treasury.

I am well aware of the many concerns that have been voiced about the possible effects supersonic transports might have on the environment. I want to reassure the Congress that the two prototype aircraft will in no way affect the environment. As for possible later effects, we have an extensive research project under way to insure against damage. Further progress on the part of the United States in the SST field will give this country a much stronger voice with regard to any long range effects on the environment than if we permit other nations to take over the entire field. And this they will surely do if we retire from this project now. The SST is an airplane that will be built and flown. This issue is simply which nation will build them.

Throughout the history of aviation, the United States has been first in this field. If the action of the Senate is

not reversed, our country will be relegated to second place in an area of technological capability vital to our economy and of profound importance in the future.

I believe that the Senate's unfortunate action can be and should be corrected.

Digest of Other White House Announcements

Following is a listing of items of general interest which were announced to the press during the period covered by this issue but which are not carried elsewhere in the issue. Appointments requiring Senate approval are not included since they appear in the list of nominations submitted to the Senate, below.

November 30

The results of the 1970 Census were reported to the President by Secretary of Commerce Maurice H. Stans and Census Director George Hay Brown.

At the request of the President, Secretary of Agriculture Clifford M. Hardin will head a high level trade policy team leaving for Europe on December 1 for discussions with officials there on agricultural trade. The team will visit Romania, Yugoslavia, Italy, France, Germany, the Netherlands, Belgium, and England.

December 1

The Council of Economic Advisers released its second Inflation Alert.

The President today announced his decision to appoint Clark MacGregor of Minnesota as Counsel to the President for Congressional Relations. Mr. MacGregor will assume his responsibilities early in January 1971.

December 2

Capt. James A. Lovell, Jr., the President's Consultant on Physical Fitness and Chairman of the President's Council on Physical Fitness and Sports, met with the President at the White House.

The report of the President's Task Force on Business Taxation was announced by the White House. The report is entitled "Business Taxation" (Government Printing Office, 82 pp.).

The President met with students from Villanova University who organized "Mail Call Vietnam," a project aimed at sending 300,000 pieces of mail to servicemen in Vietnam for Christmas of this year.

President Novice G. Fawcett of Ohio State University called on the President at the White House to present a gavel with an inscription commemorating the University's centennial year.