

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 22, 1982

REMARKS OF THE PRESIDENT
AT THE SIGNING CEREMONY
FOR SMALL BUSINESS INNOVATION DEVELOPMENT ACT

July 22, 1982

The Rose Garden

1:30 P.M. EDT

THE PRESIDENT: Thank you very much. I think before I say anything some thanks are in order. First, I would like to congratulate the Members of the Congress whose hard work has resulted in passage of the Small Business Innovation Development Act and, particularly, Senators Weicker and Rudman and Congressmen Mitchell and McCabe for their work. And, of course, the small business community itself should be complimented for a job well-done.

As you know last March, I submitted to the Congress the first annual report on the state of small business. In that report, I reiterated my support for the bill that's about to be made law. Now, you just think about that. There's a government report whose recommendations are actually being followed. (Laughter.)

So, I'm very happy to put my John Hancock on this legislation today. I might even sign my own name. (Laughter.)

Our nation is blessed with two important qualities that are often missing in other societies: our spirit of entrepreneurship and our capacity for invention and innovation. These two elements are combined in the small businesses that guide our land. And, as we meet here today, there's some fellow or gal in a research park or a garage inventing something that will make our future healthy or more productive or more comfortable.

I believe the bill recognizes the contributions of small high-technology firms to the nation's growth, productivity and competitiveness. The innovation and productivity of small businesses are well-documented and known to all of us.

I need not report the overwhelming statistics. So many of the statistics I see in this job are less than upbeat, but I'm always encouraged when I read what small businesses are doing for America,

Small business is a tonic for what ails this country. By passing and signing this Act, we're showing our resolve to unleash this most innovative sector. The Small Business Innovation Development Act recognizes that we in government must work in partnership with small business to ensure that technologies and processes are readily transferred to commercial applications.

Now, we face the difficult task of implementing this program in several agencies of the government. Let me assure you of this administration's strong commitment to this program. We will direct the rest of the government to cooperate fully and speedily putting it into effect.

And now I had better get to the business of signing that legislation and making it law. (Applause.) You still don't have pens that will write more than one word. (Laughter.)

It is law. (Applause.) Now, we have to go vote. (Laughter.)

Thank you all. (Applause.)

END

1:35 P.M. EDT

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For Immediate Release

July 21, 1982

REMARKS OF THE PRESIDENT
AT THE ORGANIZATION OF AMERICAN STATES
CARIBBEAN BASIN INITIATIVE COALITION CELEBRATION

Organization of American States Building
Washington, D.C.

July 21, 1982

THE PRESIDENT: I assure you I'm not going to keep you from your dinner long or your festivities long, but I am delighted to be with you this evening and to congratulate all the Caribbean Basin Coalition members. You've come up with a wonderful way for all of us to express our support for strengthening Caribbean Basin economies.

I particularly want to thank the co-chairman, Frank Borman, who was just here and Lee Kling, David Rockefeller and Sam Segnar, the host committee and all the supporters from business and voluntary organizations. And a special thanks to the delegates from the Caribbean and Central America.

Last February, in this same great Hall of the Americas, I spoke of my conviction that this hemisphere was a special place with a special destiny. The Caribbean Basin Initiative was launched to help our neighbors by the sea, some two dozen countries of the Caribbean Basin, to reach their full potential. We're talking about assistance to support a modern economy, but also, trade, investment, and commercial financing to develop the magic of the marketplace, the only hope for eventual escape from dependence to self-sustained growth.

Now, this is the United States' part of a larger program that was worked out in cooperation with supporting countries in the region such as Mexico, Canada, Venezuela, and Colombia and by the countries represented by so many of you from the nations of the Caribbean. This is not a Made-in-America program. It's a Made-in-Americas program, as I told some of you this morning.

Our countries are neighbors, linked geographically, politically, economically, culturally and strategically. We have our differences as neighbors always do, but we can deal directly with and manage these differences because we're neighbors.

Our friends in the Caribbean now face grave economic problems and the political instability and sometimes subversion which inevitably feed on those problems. There is no quick solution. Recovery in the United States and world economies will help, but we must also think about and build for the longer term. That's why the countries of this region have pulled together to initiate this program.

With the Caribbean Basin Initiative we can open a window onto a different time, a different future--a future in which the creative energies of free individuals lead to prosperity and the freedom to choose their own destiny.

The CBI legislation is now before the Congress. I consider passage of that program a top priority. We need a farsighted act by our people now, a time of great economic trial for us as well, so we can prevent even greater expenditures of energy, time and treasure in the future.

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Our neighbors deserve our cooperation. We share a commitment to freedom and independence. The idea of democracy is strong there. Over two-thirds of the countries in the area are democracies. In Central America democracy has made great strides and inspired enthusiasm as was clear in the massive vote in El Salvador.

Since I submitted the CBI program to the Congress in April, I've met with a number of leaders from the region, most recently, President Suazo of Honduras, President-elect Jorge Blanco of the Dominican Republic and I know that the economic crisis in the area has worsened. We must act now and I want you to know that I'm personally leading the effort to assure passage of this vitally needed legislation before a summer recess. I welcome all the support that all of you can give us and I, again, say thank you very much for being here and for your interest. God bless you and have a wonderful evening.

(Applause.)

END

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FACT SHEET

The United Transportation Union (UTU) and virtually all the major railroads in the United States are currently involved in a labor dispute over the wages, work rules and other conditions of employment to be included in a new national collective bargaining agreement. This dispute began in early February 1981 when the UTU and the carriers exchanged contract proposals. Negotiations between the UTU and the representative of the carriers, the National Railway Labor Conference (NRLC), began during the summer of 1981. A bargaining impasse was reached after several months of negotiations and mediation was requested pursuant to the Railway Labor Act, the Federal statute which sets forth the procedures for collective bargaining in the railroad and airline industries. Mediation commenced in December 1981 under the auspices of the National Mediation Board and continued through the latter part of June 1982. Despite these extensive efforts, a settlement has not been reached and the parties are free to resort to self help on July 30, 1982.

The UTU has indicated that it does not intend to strike the entire railroad industry, but rather that it will engage in selective strikes against specific carriers. On July 16, 1982, the UTU notified nine railroads that the union might strike at 12:01 a.m., local time, July 30, 1982. The potential strike targets are nine of the largest railroads in the United States:

(1) The Atchison, Topeka & Santa Fe Railway Company, (2) Burlington Northern Railroad Company, (3) The Chessie System Railroads (a unit of CSX Corporation), (4) The Family Lines Rail System (a unit of CSX Corporation), (5) Illinois Central Gulf Railroad, (6) Missouri Pacific Railroad Company, (7) Norfolk Southern Corporation (includes the Norfolk & Western Railway Company and the Southern Railway Company), (8) Southern Pacific Transportation Company, and (9) Union Pacific Railroad.

In its July 16 notification, the UTU threatened to strike all the carriers represented by the NRLC should non-targeted railroads implement changes to their labor agreements or lockout their employees. On July 16, the carriers through the NRLC responded to the UTU that in order to maintain the integrity of national bargaining they would cease operations at 12:01 a.m., local time, July 30, 1982, on the non-struck carriers and simultaneously implement the changes in work rules they had been seeking. Because of the threatened action of the UTU, and the counteraction of the carriers, a national railroad strike is impending for July 30, 1982.

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In view of these circumstances, a strike by the UTU, which represents about 85,000 operating employees in this dispute, will effectively shut down most rail service in the United States. The 100-plus carriers represented in these negotiations operate approximately ninety percent of the railroad track mileage in the United States and serve all the contiguous states with the exception of Rhode Island. In addition, the carriers who are not subject to this dispute, such as ConRail, would be substantially affected through their inability to interline with the struck railroads. In total, about 300,000 unionized workers would be involved out of a total U.S. railroad workforce of 400,000.

The impact of a railroad strike would have an immediate effect on the public. The railroad industry -- always crucial to the U.S. economy -- has taken on increased significance in recent years. In 1981, railroads carried 38 percent of all intercity freight traffic, the largest share carried by any single mode of transport. This compares with less than 36 percent of all intercity freight traffic in 1979. Railroads are also one of the primary transporters of Department of Defense freight traffic. In fiscal year 1981, railroads carried 18 percent of Department of Defense freight traffic. For the first six months of fiscal year 1982, nearly one-quarter of Department of Defense freight was transported by rail. In addition to the national defense implications, several other key industries would also be severely affected by a rail strike. The coal industry, for example, relies heavily on rail transport. Well over 5 million carloads of coal are shipped by rail annually, nearly one-quarter of all loaded rail cars. The transport of the winter wheat harvest will also be adversely affected by a strike. The winter wheat harvest has important implications in terms of the balance of payments -- the estimated value of the winter wheat to be exported is \$5.5 billion. Finally, although AMTRAK is not a party to this dispute, its intercity passenger service may also be curtailed because it contracts with other railroads for train and engine crews, and has no operating employees of its own.

On July 8, 1982, the President established Emergency Board No. 194, effective July 10, 1982, with respect to a major dispute involving the Brotherhood of Locomotive Engineers and the NRLC. The creation of that Board has the positive effect of forestalling a nationwide rail strike called for July 11, 1982. The last national railroad shut down occurred in 1971 involving the Brotherhood of Railroad Signalmen. That strike was terminated by the Congress, which adopted ad hoc legislation.

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TEXT OF A LETTER FROM THE
PRESIDENT TO THE SPEAKER OF THE
HOUSE OF REPRESENTATIVES
AND THE CHAIRMAN OF THE
COMMITTEE ON FOREIGN RELATIONS

July 21, 1982

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the provisions of Public Law 95-384, I am submitting the following report on progress made during the past 60 days toward reaching a negotiated settlement of the Cyprus problem.

In the course of continuing discussion of the United Nations "evaluation" of the intercommunal negotiations, the Greek Cypriot and Turkish Cypriot negotiators met on May 18, 25 and 27, June 1, 3, 24 and 29 and July 1, 6 and 8. The negotiations are now in recess with the next session scheduled for early August. Throughout recent discussions, the negotiators have carefully reviewed elements of the United Nations "evaluation" dealing with *inter alia* the possible organization of the executive structure of a federal system and the organs and powers of a federal government. The intercommunal negotiations are continuing in a serious and constructive manner.

United Nations Secretary General Perez de Cuellar met in New York on June 8 and 10 with Cypriot President Kyprianou and on June 9 with Turkish Cypriot leader Denktash. These meetings provided a further opportunity for useful discussion of the status of and developments in the intercommunal talks.

The United Nations continues to pay close attention to the Cyprus problem. In his June 1, 1982 report to the Security Council on Cyprus, a copy of which is attached, the Secretary General reviewed recent developments and emphasized that "the intercommunal talks continue to represent the best available method for pursuing a concrete and effective negotiating process." He noted that negotiations are proceeding at "a deliberate but reasonable pace" and while major substantial problems are still to be resolved, "they are being systematically reconsidered, reformulated and reduced." The Secretary General also noted the prospective need for devising solutions to unresolved constitutional and territorial issues and urged the communities to give "earnest thought" to the requirements for an agreement. We fully endorse the efforts and observations of the Secretary General and his Special Representative on Cyprus, Ambassador Hugo Gobbi.

I also note with pleasure that on June 15, 1982, the Security Council unanimously passed a resolution extending the mandate of the UN Peace-keeping Force on Cyprus (UNFICYP) to December 15, 1982. We share with other Security Council members the judgment that the continued presence of UNFICYP adds a valuable dimension of security and stability conducive to productive intercommunal negotiations.

Sincerely,

RONALD REAGAN

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July 21, 1982

TO THE CONGRESS OF THE UNITED STATES:

I am pleased to transmit to the Congress the Twelfth Annual Report of the Council on Environmental Quality.

The American people insist on a quality environment. We also strive for economic progress and the promise of a better life. A clean healthy environment is a fundamental part of that promise.

Our air must be fit to breathe and our water fit to drink. We require standards of environmental quality that will protect the most vulnerable -- the very young and the very old, the infirm and the yet to be born. We care about our parks, our wilderness, our wetlands and our endangered species.

We have already made great progress toward ensuring a healthy environment. Our general course has been charted with the passage of numerous Federal and state environmental laws. Our state governments and many localities have strengthened their capabilities for dealing with environmental issues. Many of our industries are coming to view the generation of wastes as lost profit potential. It is now time to make sure that the paths we have chosen are the best ones. It is time to review the environmental regulations and to make certain we are doing the most efficient job possible. Certainly we can afford a clean environment, but we must work for it in the most creative and effective way.

To operate more efficiently, I believe we must take two major initiatives. First, we must create a more innovative and flexible regulatory and economic framework in which our environmental programs operate. Regulations should complement, not stifle market forces in determining the most cost-effective methods of proper environmental management.

Second, I believe that environmental decisions should be brought closer to the people most affected by them. Particularly in the past decade, the various state and local governments have substantially improved their capability for dealing with environmental issues. Therefore, we should increase our reliance upon that expertise. The Federal government should continue to establish environmental quality standards, assure the enforcement of such standards, help to resolve environmental issues of a regional and interstate character, and continue to develop the scientific and technical information necessary to carry out environmental protection programs at all levels of government.

Working together, we can make the necessary changes to reach our environmental goals, and at the same time use our resources wisely with the help of the free market. As we do, we will create a healthful environment in a healthy economy.

RONALD REAGAN

THE WHITE HOUSE,

July 21, 1982.

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