

This statement is the result of more than a year's consideration by the members of our association. I will refer back to it at appropriate times during my testimony.

INTERSTATE AND ABC AUTHORIZATIONS

We agree with and support the schedule of appropriations and authorizations for the completion of the Interstate System, and for the continuation of the ABC program. We hope they will materialize, and that some administrative actions which are delaying these projects and increasing their cost will stop.

Completion of the Interstate, already at least two years behind schedule, is a major importance to the economy and well-being of our country. While we have repeatedly urged that every effort be made to complete the Interstate by 1972, we would be unrealistic if we did not realize that it will not be completed by that time. There is, furthermore, considerable speculation as to whether it will be completed by 1974 and at what ultimate cost. Certainly the longer its completion is delayed, the more it will cost. Testifying to this point in April, 1966, Mr. W. Ray Rogers, a past president of our association, stated that if wage rates trends of that time continued, the average wage rate in the construction industry would be between \$5 and \$7 an hour by 1969. This has proved to be true, and we now advise you that if today's trend continues, and if the outrageous demands of organized labor are met, the increased labor costs will be more than double that of 1956, when the Highway Act was passed.

Continuation of the ABC program is, we believe, even more important. The continued improvement of this network of arterial roads is vital to our nation's security, and is urgently needed for the development of cities, for the full utilization of our natural resources and for the promotion of our industrial and agricultural growth.

AUTHORIZATIONS FOR THE TOPICS PROGRAM

We favor the authorization of \$250 million for fiscal years 1970 through 1974 for the TOPICS program, but we come again, as we always do, as to what should be paid from the Highway Trust Fund. The AGC would support proposals to finance all Federal and federally aided highway programs from the Highway Trust Fund, provided sufficient funds were dedicated to the trust fund, but this is presently not the case. Although we would like to see the principles of the TOPICS program applied to the A-B-C system, it is still our position, as it has been since 1956, that expenditures from the Highway Trust Fund should be limited to the purposes for which it was established; the construction of highways and the administrative costs of the Bureau of Public Roads. In this matter we are guided by our official policy statement on transportation which I read to you in the beginning.

We have exactly the same feelings regarding the transfer to the Highway Trust Fund of expenditures for forest highways and public lands highways. We have no objection to this, provided sufficient funds for their construction are dedicated to the trust fund.