The original documents are located in Box D29, folder "Maritime Trades Department, AFL-CIO, Washington, DC, July 1, 1970" of the Ford Congressional Papers: Press Secretary and Speech File at the Gerald R. Ford Presidential Library.

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A SPEECH BY REP. GERALD R. FORD, R-MICH.
REPUBLICAN LEADER, U.S. HOUSE OF REPRESENTATIVES
TO THE MARITIME TRADES DEPARTMENT, AFL-CIO
AT E. L. BARTLETT MEMORIAL AUDITORIUM
2000 "L" STREET, N.W.
WASHINGTON, D. C.
WEDNESDAY, JULY 1, 1970

FOR RELEASE AT 12 NOON WEDNESDAY, JULY 1

The 91st Congress is now putting the finishing touches to the Merchant Marine Act of 1970 -- the first major piece of maritime legislation to be enacted in more than a third of a century.

This legislation is the product of many things.

- -- First, and foremost, it is the direct result of the determination of President Nixon and this Administration to bring about the revitalization of the American-flag fleet.

 Other Administrations have <u>talked</u> about putting vigor into our merchant marine; this Administration has <u>done</u> something about it.
- -- Secondly, it is the product of a bipartisan effort in the Congress -- both in the House Merchant Marine and Fisheries Committee and on the floor of the House. Any time you can muster a vote of 307-1 on any piece of legislation, as was done in the House on this bill, you know that the subject has been raised to a position that is above partisanship.
- Third, it is the product of a close working alliance between two branches of government the Executive and the Legislative. In the past, Congress has been actively working for legislation that would put some life back into our shipping and shipbuilding industries, that would replace old ships with new ones, and that would increase the American-flag share of the cargo that moves to and from our shores in world commerce. But despite the bipartisan approach that has always been taken on Capitol Hill, these efforts have been blunted in the past by Administrations unable or unwilling to see the wasting away of our maritime strength, and to do something about it. This time it's different: There is a President in the White House

(more)

who recognizes the need for urgency in tackling our maritime problems, and who has taken affirmative action in this area.

-- Fourth, it is the product of the joint efforts of maritime management and maritime labor. On the issue of the Merchant Marine Act of 1970, the maritime industry has been closer to unanimity than at any other time in recent history. And because the major elements of this industry worked together, and were able to resolve their differences, the prospects for enactment of a worthwhile, progressive, forward-looking maritime program have been greatly enhanced.

The history of this legislation, then, has been a history of people working together -- in the Administration, in the Congress and in the industry.

But at the root of this cooperative effort has been the determination and the commitment of President Nixon, his Administration, and the Republican Party. As far back as 1967, the House Republican Policy Committee adopted a strong statement calling for action to preserve America's merchant fleet, and to regain our lost leadership on the oceans of the world. In 1968, the Republican Party's platform called for a vigorous and realistic ship replacement program to meet the changing pattern of our foreign commerce. In 1968, President Nixon issued his landmark "white paper" on the plight of the merchant marine, and his determination to reverse the pattern of drift and indecision which affected this industry. In 1969, President Nixon sent his maritime message to Congress, calling for prompt and forthright action on the legislation which is now nearing final passage on Capitol Hill.

In short, this legislation has come about because of the consistent efforts on the part of President Nixon, the Administration, and the Republican Party to substitute action for words; positive performance for empty promises. It is not necessary — for an audience like this — to compare this with the inaction of another President, and another Administration, which promised — in a State of the Union Message in 1965 — that it was going to present America with a "new" maritime program, and which wasn't heard from again on this subject for the next four years!

The record of President Nixon on maritime affairs can be summed up in a single sentence: He has kept his promise!

But there are other promises that must be kept -- not by the Administration or by Congress, but by the maritime industry. Some of these promises have been made explicitly by leaders of maritime management and labor; other promises are

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- -- The shipbuilding industry must make good on its promise to streamline its operations and bring down the cost of building vessels in American yards, so that this country can achieve the best possible economic position in competition with the shipyards of other nations. This promise imposes an obligation on shipyard owners and on shipyard workers to keep prices and wages at reasonable and realistic levels; and to introduce the latest possible systems and equipment that will cut the cost of American-built ships, without cutting their quality.
- -- The shipping industry must make good on its promise to introduce innovative new concepts to the movement of goods in foreign commerce, so that our imports and exports travel between ports as rapidly as possible, and so that the least amount of time is lost in the loading and unloading of cargo. This calls for cooperation between management and labor in terms of worksaving devices and techniques -- and, again, it calls for reasonableness at the bargaining table and in the setting of rates. Through such efforts, we can close some of the gap that exists between foreign costs and American costs, so that the shipper will get the best value for his dollar -- and so that the government, which is making a major investment in the merchant marine, will also get value received.
- -- The merchant marine must make good on the promise which is implicit in this program -- the promise that there will be an end to the internecine warfare that has ravaged the merchant marine for decades, and that has drained away so much of our maritime strength. The failure of our past merchant marine legislation -- and of those who administered that legislation in the past -- to treat all segments of this industry fairly and equitably may have been at the root of this deep division in the merchant marine. But this new legislation will put an end to the old divisions between the "subsidized" and the "unsubsidized" operator. All American operators will be treated fairly and equally under this program. Those who want

to take advantage of its benefits, and who are eligible to do so, will have an opportunity to come under this program. This bill will effectively make possible a unified industry — and there will be no reason for one element of this industry any longer to be at war with the other. If this merchant marine program is going to work, it will take the collective best efforts of all elements of this industry — and no industry can put forth its best efforts if it spends some, or any, of its time, fighting the other fellow, instead of fighting the common enemy, which in this case is foreign competition.

- -- Those American operators who, for whatever reason, have been engaged in trade both under the American flag and a foreign flag now must make good on the implicit promise of getting out of the foreign trade and getting into the American trade on a full-time basis. This legislation makes possible the orderly phase-out of these foreign-flag operations; now the operators must turn their hands to the task of accomplishing that goal -- and at the same time planning for the orderly development of their full American-flag potential.
- -- The operators who have complained about the lack of a longrange shipbuilding program in the past must now make good on
 their promise to build the ships that this program makes
 possible. The government is willing to help in a long-range
 building program. But it's not going to do the job singlehanded. It is the ship operators who must plan for the replacement of their old ships and the expansion of their fleets.
 Unless the operators now come forward with concrete plans,
 nothing can begin to happen -- either in the shipyards or on the
 high seas -- and the American people will have been deluded.
- -- Ships are only part of the program; cargoes are the other part.

 The Commerce Department and the Maritime Administration have
 launched a major effort to convince American industry that
 it is to their advantage to "ship American." But the government cannot do this job alone -- nor should it be expected to do the job alone. This industry has more at stake in a "ship American" program than the government does, and the industry should be

willing and eager to carry its share of the task of stimulating greater awareness of the advantages of using American-flag ships. And the industry should bend every effort to see that the shipper does get the biggest bargain possible, in terms of rates, in terms of speed, and in terms of first-quality service.

If the maritime industry -- shipping and shipbuilding, labor and management -does work together, and does make good on <u>its</u> promises, then all of us will
realize the full potential which this legislation offers. Unless everyone works
together, then the promises of the Merchant Marine Act of 1970 will remain
largely unfulfilled.

One final word:

The problems of the merchant marine did not develop overnight; they will not be resolved overnight. As President Nixon has pointed out, we have a long way to go to overcome the gross neglect of our merchant marine by past Administrations. But this legislation charts a course which, if we follow it, will lead to the restoration of America's maritime strength.

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