

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND
MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management to receive testimony on the oversight of the management of the national forests.

The hearing will take place Thursday, January 25, 1996, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224-6170.

ADDITIONAL STATEMENTS

THE JONES ACT SHOULD NOT BE
REPEALED

• Mrs. MURRAY. Mr. President, there are proposals afoot—generated by foreign-flag shipping interests and foreign corporations—to repeal the Jones Act. This 1920 Act, named for Senator Wesley Jones of my State, mandates the use of U.S.-built, U.S.-crewed, U.S.-flagged vessels for voyages between two U.S. ports and on our Nation's inland waterways. Similar laws have been on the books since the 1790's, and nearly 50 nations have similar requirements for shipping in their own domestic commerce.

This law should not be repealed.

Mr. President, the domestic waterborne trades of the United States contribute more than \$15 billion to the American economy, including more than \$4 billion in direct wages to U.S. citizens. The economic impact of that income is multiplied by the thousands of additional jobs in cabotage-related businesses, the Jones Act employers and employees pay \$1.4 billion in State and Federal taxes.

The Jones Act is critical to the State of Washington and other coastal and inland waterways' States, and indirectly, it generates American jobs, tax revenues, and economic activity, in all 50 States.

Unlike our international waterborne trades which are also the shipping lanes of our trading partners, the Jones Act trades are strictly a family trade—the commodities and the vessels move exclusively between American ports. So our trading partners have no reciprocal economic interest at stake in these trades. Indeed, our trading partners understandably have no interest in furthering the national interest objectives which the Jones Act is intended to enhance—jobs for Americans and a fourth arm of defense in times of national emergency.

It seems to me that it makes no more sense to invite foreign shipping interests into our domestic trades, than it does to invite a stranger to intervene in a family matter. In either case, there is no necessity for doing so, and the results can be disastrous.

Nevertheless, Mr. President, that is precisely what those who advocate repeal of the Jones Act would do, have outsiders intrude in the family's business.

The needless risk of permitting this was recently detailed by Stanley H. Barer in his remarks before the American Association of Port Authorities.

Mr. Barer is cochairman and CEO of Totem Resources Corp., a Jones Act operator which is headquartered in Seattle, WA, and which runs high-speed, roll-on, roll-off liner vessels between the lower 48 contiguous States and Alaska. At one time, he was also the Merchant Marine Counsel to the Senate Committee on Commerce, Science, and Transportation. So his considerable knowledge and expertise have been acquired in the real world of ocean shipping and regulation. What Mr. Barer had to say to the AAPA is, in my view, very instructive and illuminating because it offers a realistic view of the worth and importance of the Jones Act to our economy and national security.

Mr. President, I ask that Mr. Barer's remarks be inserted in the RECORD.

REMARKS OF STANLEY H. BARER

Thank you very much. It is a pleasure to be here at this convention. I hope I can set the record straight for you about the U.S. merchant marine and, in particular, the Jones Act.

The Jones Act requires that America's domestic waterborne trade must be reserved for carriers owned by Americans, aboard vessels that fly the U.S. flag and were built in this country, and that are crewed by American citizens. Reserving U.S. water transport for American companies and crews is what our cabotage system is all about. And it's a pretty easy idea to understand.

With its extraordinary land mass and diversity, the United States is in substantial part bound together as one nation because of our ability to travel from place to place, thus assuring that all parts and all people of our nation have access to the goods and services that give us the highest standard of living in the world. We would be quite foolish, with a nation of our size, diversity and transportation requirements, to turn our domestic transportation over to the mercy of foreign carriers. Let us never forget that when you talk about the Jones Act, you are talking about transportation services that take place within the United States involving only the movement of goods or people from one part of the country to another.

This national policy of self-sufficiency in domestic transportation is also reflected in rail, trucking and aviation. It has been a consistent policy of our nation and nearly every other advanced nation on the face of this earth. And, when you think about it, it is not unusual to have such a transportation policy. Under our immigration laws, work in virtually every industry of our country is reserved for our own citizens. It is the rule, not the exception, that nations reserve the job opportunities inside their own borders to their own citizens, so long as their own citizens have the capacity to do the work.

Thanks to this policy, today the U.S. has a Jones Act fleet of over 44,000 vessels, which provides direct employment for 124,000 American workers. And those workers earn more than \$3.3 billion in wages a year.

Opponents of the Jones Act point out that U.S. labor costs on our ships, tugboats, barges and shipyards run two to three times the so-called "world labor rate." This is true. Of course, you could make the same

statement about virtually any industry in this country. And, in fact, the merchant seafarers of Sweden, Denmark, Norway, Holland and Japan all earn higher net wages than their American counterparts. Jones Act opponents say that, by bringing foreign ships and foreign crews into our coastal and inter-coastal trades we can lower wage operating costs by up to 50 percent.

Let's look at those world wage rates. Under the International Transport Federation standard, the average wage for the captain of a tanker or large container ship is \$12 an hour, and the other officers are just slightly above the U.S. minimum wage of \$5.25 an hour. The entire rest of a ship's crew under the ITF guidelines would be paid less than the U.S. minimum wage. And the ITF requires no payments for health, pension or other benefits. Ultimately, I believe, the issue is not whether Jones Act maritime workers carrying our domestic cargo make more than the "world standard," the real issue is whether those workers are being paid a fair American wage, with respect to the other transportation modes.

Each of our domestic transportation modes—water, rail, trucking and air cargo—employs Americans at American wage levels and none of them faces domestic competition from foreigners. For example, a tanker captain earns about \$80,000 a year, which is \$30,000 less than a pilot flying a domestic cargo plane. A tugboat captain might earn \$50,000, about the same as a railroad engineer. A deck hand on a Jones Act ship makes about the same pay as a domestic flight attendant, about 25,000 to 30,000 a year. Compare that to a long-distance, line-haul truck driver, who might make as much as \$75,000 a year.

And it is also important to keep in mind the hours worked by our merchant mariners. While the air cargo pilot averages 83 hours in flight time, or about 20 hours a week, a tanker or tugboat captain works at least 12 hours a day and is on duty 24 hours a day on the vessel. This goes on seven days a week, sometimes for weeks and sometimes for months. Our captains on our big roll-on, roll-off liner vessels to Alaska are on their vessels 24 hours a day, seven days a week for months at a time. They are away from their families, and their work is dangerous.

Now, Jones Act opponents are arguing for getting rid of our domestic maritime workers and bringing in foreign ships with foreign crews. Let's think about what would happen if that came true.

I assume that the truckers who compete directly against water carriers would come storming to Congress and say: "You have upset the competitive balance between water, rail, truck and air cargo. We can't compete against the water carriers with our high-priced U.S. truck drivers." Truckers will say, to keep the balance fair we need to bring in foreign, below-minimum-wage truck drivers. And they would have a good argument—what would Congress say? And if you let the water carriers and truckers use foreign labor, the railroads and then the air cargo carriers are going to demand the same ability.

At this point, we have thrown hundreds of thousands of Americans out of work. What would happen next? I have an idea.

Companies outside domestic transportation, companies that compete on a daily basis in the global economy, will demand the right to fire Americans and bring in low-cost, below-U.S.-minimum-wage foreign workers. After all, if we are going to do this for domestic transportation, which is currently immune from foreign competition,

why shouldn't we do this for those American companies who face foreign competition for their products and services every day in the marketplace?

I want to point out a few more things about what Jones Act opponents are proposing.

Their draft legislation assumes that the foreign workers brought into our maritime coastal trades will pay no federal or state income taxes, nor will the owners of those vessels under foreign flag pay any U.S. taxes. And that would be the case.

As I read the proposal, these companies under foreign flag and their crew members are not only exempt from U.S. taxes and U.S. minimum wage laws, but also the National Labor Relations Act, federal hours-of-service regulations, child labor laws, Coast Guard safety regulations, the U.S. civil rights laws, our national laws relating to health insurance, pensions and other benefits, and all other state and federal legal requirements.

Jones Act opponents say these foreign vessels and crew members should meet "international standards." Does that mean that the navigation and safety crew members must be able to speak English, so they can communicate with environmental and rescue workers, or Coast Guard authorities? I guess not.

And nothing in the proposal talks about how our nation would deal with all those Americans left unemployed by the repeal of the Jones Act, or how we would compensate American vessel owners whose investment in modern, U.S.-built ships would be destroyed.

Let me tell you a little about my own situation. I am management. I am an owner. I risked capital to be in this business. I have negotiated with labor unions. My company has more than 2,000 employees whose fathers and grandfathers and uncles have all worked for our tug and barge company over the 106 years it has been in business.

We don't want to fire these people. Who wants us to do this? Is this what America is about?

If we can do this in the transportation sector, I guess we can do it anywhere—manufacturing, communications, health care, education, and I guess we could even fire all of our government workers and bring in low-cost people to work in government and man our armed forces. I submit this is not a sound idea.

I was very curious as to who was financing these people who are calling for repeal of the Jones Act, and who was supporting them. I was pleased that not one of our customers in Alaska or the West Coast was among their supporters. But I did find that over 90 percent of those supporting him were trade associations representing wheat or grain producers. I would just like to note that, while Jones Act carriers receive not a dollar in federal subsidies or handouts, \$5.5 billion in federal subsidies goes to wheat and feed-grain farmers each year. I am not here to argue against the farm program but I think it should be recognized that the people who want to get rid of U.S. citizens in domestic transport are the same people who are taking \$5.5 billion dollars a year for their own industry from the taxpayers, but they are not advocating that foreign grain companies and foreign grain workers come in and take over their jobs and companies in the United States. All these farm executives and their corporate staffs and trade organizations and employees make good wages. I think that's fine—I am not against that. I am not even against the farm program. But I do have a problem with that industry trying to destroy my industry without first getting their own financial house in order.

So, please, in considering these public policy issues, think about those you

represent—the taxpaying American citizens. If you do that, I think you will have no trouble telling the Jones Act Reform Committee that they should go out of business rather than telling my industry that we should go out of business.●

SPARE US THE CHEAP GRACE

● Mr. SIMON. Mr. President, one of the people who has been most effective in prodding our conscience is Jonathan Kozol, author of several books, including an important one on literacy, another on the sad plight of our schools, and more recently, "Amazing Grace: The Lives of Children and the Conscience of a Nation."

Unfortunately, as we balance the budget—which we should have done long ago—we are horribly distorting the priorities this Nation should have. The use of the word "horribly" may seem out of place, but for many of the poor, our budget will result in horrors.

To say we want to balance the budget, then start with a \$245 billion tax cut is like adopting a New Year's resolution to diet, then having a huge dessert.

Compounding that is the fact that the tax cut is largely for those of us who are more fortunate, while those who will suffer will be the neediest in our society.

Time magazine recently had an essay by Jonathan Kozol titled "Spare Us the Cheap Grace," which I ask to be printed in the RECORD after my remarks.

Among other things, Jonathan Kozol says, "What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?" The piece follows:

[From Time magazine, Dec. 11, 1995]

SPARE US THE CHEAP GRACE

(By Jonathan Kozol)

It is hard to say what was more shocking about the death of Elisa Izquierdo—the endless savagery inflicted on her body and mind, or the stubborn inaction of the New York City agencies that were repeatedly informed of her peril. But while the murder of Elisa by her mother is appalling, it is hardly unexpected. In the death zones of America's postmodern ghetto, stripped of jobs and human services and sanitation, plagued by AIDS, tuberculosis, pediatric asthma and endemic clinical depression, largely abandoned by American physicians and devoid of the psychiatric services familiar in most middle-class communities, deaths like these are part of a predictable scenario.

After the headlines of recrimination and pretended shock wear off, we go back to our ordinary lives. Before long, we forget the victims' names. They weren't our children or the children of our neighbors. We do not need to mourn them for too long. But do we have the right to mourn at all? What does it mean when those whom we elect to public office cut back elemental services of life protection for poor children and then show up at the

victim's funeral to pay condolence to the relatives and friends? At what point do those of us who have the power to prevent these deaths forfeit the entitlement of mourners?

It is not as if we do not know what might have saved some of these children's lives. We know that intervention programs work when well-trained social workers have a lot of time to dedicate to each and every child. We know that crisis hot lines work best when half of their employees do not burn out and quit each year, and that social workers do a better job when records are computerized instead of being piled up, lost and forgotten on the floor of a back room. We know that when a drug-addicted mother asks for help, as many mothers do, it is essential to provide the help she needs without delay, not after a waiting period of six months to a year, as is common in poor urban neighborhoods.

All these remedies are expensive, and we would demand them if our own children's lives were at stake. And yet we don't demand them for poor children. We wring our hands about the tabloid stories. We castigate the mother. We condemn the social worker. We churn out the familiar criticisms of "bureaucracy" but do not volunteer to use our cleverness to change it. Then the next time an election comes, we vote against the taxes that might make prevention programs possible, while favoring increased expenditures for prisons to incarcerate the children who survive the worst that we have done to them and grow up to be dangerous adults.

What makes this moral contradiction possible?

Can it be, despite our frequent protestations to the contrary, that our society does not particularly value the essential human worth of certain groups of children? Virtually all the victims we are speaking of are very poor black and Hispanic children. We have been told that our economy no longer has much need for people of their caste and color. Best-selling authors have, in recent years, assured us of their limited intelligence and low degree of "civilizational development." As a woman in Arizona said in regard to immigrant kids from Mexico, "I didn't breed them. I don't want to feed them"—a sentiment also heard in reference to black children on talk-radio stations in New York and other cities. "Put them over there," a black teenager told me once, speaking of the way he felt that he and other blacks were viewed by our society. "Pack them tight. Don't think about them. Keep your hands clean. Maybe they'll kill each other off."

I do not know how many people in our nation would confess such contemplations, which offend the elemental mandates of our cultural beliefs and our religions. No matter how severely some among us may condemn the parents of the poor, it has been an axiom of faith in the U.S. that once a child is born, all condemnations are to be set aside. If we now have chosen to betray this faith, what consequences will this have for our collective spirit, for our soul as a society?

There is an agreeable illusion, evidenced in much of the commentary about Elisa, that those of us who witness the abuse of innocence—so long as we are standing at a certain distance—need not feel complicit in these tragedies. But this is the kind of ethical exemption that Dietrich Bonhoeffer called "cheap grace." Knowledge carries with it certain theological imperatives. The more we know, the harder it becomes to grant ourselves exemption. "Evil exists," a student in the South Bronx told me in the course of a long conversation about ethics and religion in the fall of 1993. "Somebody has power. Pretending that they don't so they don't need to use it to help people—that is my idea of evil."