

From the Offices of Congressmen:

FOR IMMEDIATE RELEASE
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William S. Mailliard, California
Alphonzo Bell, California
Frank T. Bow, Ohio
William T. Cahill, New Jersey
William C. Cramer, Florida
Jack Edwards, Alabama
Robert F. Ellsworth, Kansas
Peter H.B. Frelinghuysen, New Jersey
James R. Grover, Jr., New York
Hastings Keith, Massachusetts

Charles McC. Mathias, Jr., Maryland
F. Bradford Morse, Massachusetts
Rogers C.B. Morton, Maryland
Thomas M. Pelly, Washington
Ed Reinecke, California
Howard W. Robison, New York
Garner E. Shriver, Kansas
Robert T. Stafford, Vermont
G. Robert Watkins, Pennsylvania
Bob Wilson, California

GOP CALLS FOR INDEPENDENT MARITIME ADMINISTRATION

WASHINGTON--- 20 Republican Congressmen today said that only an independent Federal Maritime Administration would overcome "the Administration's studied indifference to the needs of the American Maritime Industry."

The Republican statement came on the eve of the expected floor debate in the House of Representatives on the Administration's bill to establish a new Department of Transportation. The bill would include maritime matters within the new Department.

The Republicans warned of a "national disaster now confronting the American Merchant Marine as a result of Executive apathy." They said that President Johnson had "defaulted" on a January 1965 pledge "to send to the Congress a new maritime policy to revitalize our ailing Merchant Marine."

Spokesman for the group, Congressman William S. Mailliard of California, who is ranking Republican Member on the Merchant Marine and Fisheries Committee, said that "transferring the Maritime Administration from Commerce to Transportation simply represents an organizational shift from one bureaucratic maze to another. Only the creation of an independent Federal Maritime Administration can assure the nation of a Merchant Marine fleet adequate to meet the demands both of a progressive economy and of national security."

The Republican statement went on to warn of a "bleak future" for the U.S. Merchant Marine unless the Administration takes early action:

- "80% of the existing ships will reach the end of their economic life within the next five years."
- "The Ship Replacement Program is already about 100 ships behind schedule."
- "The Administration is doing practically nothing to assure the availability of American shipyards to produce ships in times of national emergency."
- "By the mid-1970's the Soviet Union may replace the United States as the major world Maritime power."

FULL TEXT

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Statement by Congressmen

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AN INDEPENDENT FEDERAL MARITIME ADMINISTRATION

We oppose the inclusion of the Maritime Administration in the pending legislation (H.R. 15963) to establish a Department of Transportation and favor the establishment of an independent Federal Maritime Administration.

Ever since the formerly independent Federal Maritime Board was swallowed up by the Department of Commerce in 1961, both the value and the needs of the United States Merchant Marine have been ignored by the Democratic Administration. Transferring the Maritime Administration from the Department of Commerce to the presently proposed Department of Transportation would simply represent an organizational shift from one bureaucratic maze to another, and would furnish no assurances whatsoever that the gap currently existing between our national maritime policy (as set forth in the Merchant Marine Act of 1936) and its attainment through effective Administration programs will be overcome.

A review of the performance of the Maritime Administration over the past sixteen years since it lost its independence and became submerged deeper and deeper within the Department of Commerce furnishes every reason to believe that the demonstrated inadequacies stem directly from its subordinate status -- and that only an independent Federal Maritime Administration can command and receive sufficient White House attention to avoid the national disaster now confronting the American Merchant Marine as a result of Executive apathy.

More than 80% of the existing ships of the American Merchant Marine will reach the end of their economic life within the next five years. The Ship Replacement Program for subsidized American-flag operators is today about 100 ships behind schedule. Yet the Johnson Administration's budget request for fiscal 1967 for new merchant ship construction is 30% below the previous year's appropriation, and would provide for the construction of not more than a dozen new ships. As an expedient to overcome this mass block obsolescence problem confronting the American Merchant Marine, Administration spokesmen have been actively promoting and, in some instances, implementing the construction of ships for American registry in foreign shipyards -- thereby contributing to our balance of payments deficit and threatening to sacrifice the defense mobilization base provided by American shipyards.

The absence of a responsible, comprehensive or even visible Administration program to carry out and implement our national maritime policy holds forth the promise of a very bleak and dark future for the

American shipping industry. For example, American-flag ships today carry less than 5% of the bulk commodities transported in our water-borne commerce, despite the fact that bulk trade comprises almost 80% of our total water-borne commerce. Tomorrow we may become totally dependent upon foreign shipping, even though we may expect a constant growth in U.S. foreign trade.

The lack of a positive on-going Administration maritime program is equally detrimental to the future defense posture of the United States. Commonly referred to as our "fourth arm of defense," the American Merchant Marine today is demonstrating the validity of this characterization by its role in supporting our commitments in Southeast Asia. All of our bulk petroleum requirements, 98% of our military equipment and supplies, and two out of every three fighting men are being transported to Viet Nam by ship. The American Merchant Marine is one of the few sectors of our civilian economy which has been directly engaged in the Viet Nam war.

The role of our merchant marine in World War II and in Korea is well known. It is discharging a comparable role in Viet Nam, but unfortunately it has been called upon to do so with many of the same ships constructed twenty or more years ago for World War II. Despite this most obvious and demonstrated value of the American Merchant Marine to our national security, the Administration is doing practically nothing to assure the preservation of this most vital national asset in the years to come, or for that matter to assure the availability of American shipyards and associated skills necessary to produce ships in times of national emergency.

In the face of this persistent and continuing decline of the American Merchant Marine, the Soviet Union is undertaking and accomplishing a major expansion of its merchant fleet with the apparent objective of challenging U.S. supremacy at sea. We therefore face the prospect that without determined leadership now to overcome our current deficiencies, the United States by the mid-1970's may no longer be a major world sea power -- and the Soviet Union may replace both the United States and our western European allies as the major world maritime power.

Almost twenty months ago in his State of the Union message of January 1965, President Johnson promised to send to the Congress a "new" maritime policy to revitalize our ailing merchant marine. We are still waiting for that promise to be fulfilled, and as one maritime observer has noted: "Since President Johnson first stated on the floor of Congress that a new maritime policy was forthcoming, the United States has slipped from first to sixth place in size of its active fleet; from sixth to fourteenth (or fifteenth) in ship construction, and literally to rock bottom in the number of new ships being built to fly the stars and stripes." The default in that pledge reflects a failure of Presidential leadership and is further evidence of the manner in which the voice of the Maritime Administration and the industry as a whole has been muted by being buried in the Commerce Department, which is more immediately concerned with a broader spectrum of national problems than those associated with the American Merchant Marine.

Transfer of the Maritime Administration to the proposed new Department of Transportation provides no assurance that the demonstrated needs of the industry will receive the much-needed attention of the federal government. To the contrary, there is every reason to believe that maritime affairs in the new department probably would be further ignored and lost among the multitude of more visible and dramatic problems of domestic transportation in our increasingly urban society. It is these needs to which the current legislation (H.R. 15963) appears to be primarily directed.

The bill to establish a new Department of Transportation gives no emphasis whatsoever to maritime affairs. It is completely silent as to how the most important quasi-judicial functions of administering maritime subsidy contracts are to be handled. Lines of responsibility in the proposed department are not spelled out clearly, and much is left to the discretionary authority of the new Secretary. The pending legislation fails to define what role, if any, the Maritime Administration is to play in the new department in order to overcome and arrest the continuing decline of the American Merchant Marine.

The attention, or more properly the lack of attention, given in the Department of Transportation bill to the establishment of an effective organization vehicle to implement our national maritime policy is evidence of the Administration's studied indifference to the needs of the American maritime industry. Only the creation of an independent Federal Maritime Administration can assure the nation of a merchant marine fleet adequate to meet the demands both of a progressive economy and of national security.