

Anchorage Daily News

Cruise industry must pull its weight

COMPASS: Points of view from the community

By GERSHON COHEN

Published: May 10, 2003

Last Modified: May 11, 2003 at 01:09 AM

It's springtime in Southeast Alaska and the foreign-flagged cruise ships are returning for their annual mating ritual with tour excursion reps and T-shirt shop managers. Equally predictable is the public's continued dissatisfaction with this industry, which singularly benefits from all manner of economic and environmental loopholes.

Many people believe the oil industry owns Alaska -- despite the fact that we make them pay corporate income taxes. The mining industry boasts major projects all across our state -- we require them to get permits before discharging their wastewater. The fishing industry employs more Alaskans than any other private sector -- they must meet our water quality standards and pay fish taxes to help support local communities. The gaming industry sells pull-tabs and bingo cards from Barrow to Ketchikan -- for that privilege the state takes a third of its profits to support charity organizations.

Consider then the cruise ship industry: it pays no income taxes on shipboard revenue generated in Alaska; it operates casinos and pays nothing to support our charities; and despite numerous felony convictions, it continues to discharge millions of gallons of wastewater without proving it meets state water standards set to protect human health and aquatic life.

Does the cruise industry bring money into the state? You bet. Of course, the tour operators have to kick back 40 percent of their ticket prices to the cruise lines, and Princess and Holland America own many of the tour buses and more hotel rooms every day. And the gift shops turn over lots of cash -- but who owns all those "Columbia Emeralds" and "Little Switzerland" stores anyway? I'm sure a lot of money is paid to minimum wage staff on shore, and I'll bet those kids buy plenty of food and beer and probably even pay their rent before they leave for points south in September.

A litany of felony convictions for pollution dumping and falsifying logbooks has prompted Democrats like Rep. Beth Kerttula to support applying the same pollution limits to cruise ships that apply to all other dischargers. Republicans such as former Senate President Rick Halford and Rep. Carl Gatto believe Alaska should charge the ships a fair price to operate in our state. Unfortunately, their bipartisan efforts have failed because industry lobbyists have "convinced" many legislators to fly foreign flags over our own eight-stars-of-gold-on-a-field-of-blue.

But Alaskans will soon have an opportunity to speak up for themselves. A ballot initiative has been submitted for legal review to Lt. Gov. Leman that will level the playing field between the cruise industry and everyone else doing business in Alaska. If approved, the cruise industry will have to pay its fair share of income and gambling taxes -- revenue sources that the state clearly needs -- and meet all of our pollution standards. A modest passenger tax of \$50 will be distributed among impacted communities to help support infrastructure now being paid for by local taxes, and an independent marine engineer will be on every ship to observe the use of wastewater treatment equipment and check ship logs.

Industry representatives claim our initiative will limit passenger spending and drive ships away. These threats are absurd. Passenger taxes are already the norm in many ports around the world, and any person spending \$1,000 on a ticket is not going to stay home, pass on a local tour, or not buy a souvenir because they were charged \$50 to help pay for the community services and infrastructure supporting their visit. Alaska already represents nearly 10 percent of the industry's worldwide revenue, a figure increasing every day as more people opt for "safe" cruises to Alaska and Hawaii. In fact, the industry is predicting a near doubling of passenger visits by 2010.

Fair taxes and standard pollution control policies will eliminate inter-community battles, protect our marine resources and keep Alaska beautiful for the rest of our tourism economy. It's time Alaska stopped settling for the crumbs (and God knows what else) floating in every cruise ship wake and pulled up a chair to the captain's table. It's our state, that's where we belong.

Gershon Cohen is the project director of the Campaign to Safeguard America's Waters, a project of the Earth Island Institute based in Haines. Mr. Cohen served two years on the Alaska Cruise Ship Initiative Wastewater Subcommittee, and was appointed to help Alaska draft regulations under the Cruise Passenger Vessel Environmental Compliance Act passed in special session in 2001.