

Administration of Joseph R. Biden, Jr., 2022

Remarks on Efforts To Combat Inflation and Supply Chain Disruptions and an Exchange With Reporters in Los Angeles, California

June 10, 2022

The President. As we used to say in the United States Senate, I hope you'll excuse a point of personal privilege, but I think that Sal must be related closely to my good friend from Holy Rosary High School in Claymont, Mike DiCostanzo. [Laughter] You think I'm kidding. [Laughter]

International Longshore and Warehouse Union Local 13 Executive Board Member Sal DiCostanzo. You might not be. [Laughter]

The President. I'm not. I tell you what—but anyway, thank you, Sal.

Televised Hearing of the House Select Committee To Investigate the January 6th Attack on the United States Capitol

Look, everybody, before I begin, I want to say a few words very briefly about the January 6 hearings that were highlighted last night.

The insurrection on January 6 is one of the darkest chapters in our Nation's history: a brutal assault on our democracy, a brutal attack on law enforcement, some losing their lives. And we heard about it last night again.

It's important that the American people understand what truly happened and to understand that the same forces that led January 6 remain at work today. It's about our democracy itself.

We have to protect our democracy. I know it sounds corny to say it. We were all raised in school that democracy—every generation has to protect it. I have to admit to you, I never thought that it was going to be this straightforward a challenge before.

The rule of law matters in democracies. And we're seeing how the battle for the soul of America has been far from won. But I know, together—and I mean this—we can unite and defend this Nation, Democrat and Republican, and allow no one to place a dagger at the throat of our democracy.

That's what those hearings are all about. You're going to hear a lot more. I didn't get to watch them last night because I was doing other business. But I tell you what: There's a lot going on.

Efforts To Combat Inflation and Supply Chain Disruptions

Now, look, to the reason I'm here. You know, thank you, Sal. And thanks to Gene and the Port of Los Angeles, as well. Mario, thank you, for the Port of Long Beach. And thank Mayor Garcetti of Los Angeles and the Mayor of Long Beach, who I suspect is soon going to be the Congressman of Long Beach, the way it looks like.

You guys did a heck of a job when I came out here a couple years ago to try to get things moving. Everybody did—management, labor, the elected leaders. As well as, at the time, we also had Governor Newsom pushing hard as well.

Look, we have two excellent Senators: Dianne Feinstein and Alex Padilla. I tell you what, Alex, you don't look any worse for the wear, man. [Laughter] You're looking awful good. You're looking awful good.

And, Nanette, I think you've always looked good, particularly compared to these guys. You know what I mean? *[Laughter]* And me. But seriously, thank you, Nanette, for the fire you bring. You bring some fire to this. I really mean it. It's in your heart.

And Alan Lowenthal has been working on this for a long time. Alan and I just had a little meeting together. I—we've got to change it, Alan. We've got—we can't—we can't give up. We've got to turn this corner.

And, John, I can't thank you. You're the real deal. Anybody—well, I won't get into—get you in trouble—*[laughter]*—but thanks for sticking up for me.

And look—and we have a Labor Secretary that—I'm his translator.

[At this point, the President briefly imitated a Boston accent.]

He's "Marty Walsh from Boston." *[Laughter]*

And—but if you need any—the only thing you've got to know: He always has your back. He always has your back. I had an uncle who used to say, "Joey, you're labor from belt buckle to shoe sole." Well, he's labor from forehead to the tip of his toes. He used to run a labor's outfit—union.

Look, folks, today I'd like to speak about my top economic priority: fighting inflation. I understand Americans are anxious, and they're anxious with good reason. I was raised in a household when the price of gasoline rose precipitously, it was the discussion at the table. It made a difference when food prices went up. But we've never seen anything like Putin's tax on both food and gas.

Americans should also understand our economy has unique strengths that we can build on. The job market is the strongest it's been since World War II, notwithstanding the inflation. We added another 390,000 jobs last month; 8,700,000 new jobs since I took office, an alltime record. Never that many jobs in that period of time.

Unemployment rate is near historic lows. Millions of Americans are moving up to better jobs and better pay. And since I took office, families are carrying less debt on average in America. They have more savings than they've had. And we're doing it all while cutting the Federal deficit by \$1.7 trillion this year and \$320 billion last.

If I hear one of my MAGA friends once again talk about debt and deficits, I'm going to—anyway—I'm going to be good. *[Laughter]* They increased the deficit by 2 trillion bucks. Anyway, that's another story.

But look, this is the largest decline in American history. Because of the progress, America can tackle inflation from a position of strength unlike any other country in the world, because every country in the world is getting a big bite and piece of this inflation, worse than we are in the vast majority of countries around the world.

But make no mistake about it: I understand inflation is a real challenge to American families. Today's inflation report confirmed what Americans already know: Putin's price hike is hitting America hard. Gas prices at the pump. Energy and food prices account for half of the monthly price increases since May.

Inflation, outside of energy and food—what the economists call "core inflation"—moderated the last 2 months. Not enough, but it moderated; it's come down. And we need it to come down much more quickly.

My administration is going to continue to do everything we can to lower the prices for the American people. And the Congress has to act, and they have been of late.

One of the key ways to fight inflation is by lowering the cost of moving goods through the supply chain. When I first started talking about the supply chain, when I came here well over a year ago, the American people understandably wondered, "Supply chain, what?"—I mean, that's not a usual part of their jargon every day. But they understand it fully now. They understand it.

If you can't get the material needed to build a product you're building—whether it's an automobile or whatever it is—it makes it difficult to be able to move, and that's called the supply chain. That's why I've been focused on ports.

Last fall, ports around the world were congested due to disruptions caused by the pandemic, so we brought together port operators, shipping companies, and labor and—to ease the bottlenecks. And as a result, over the holidays last, 97 percent of all the packages were delivered on time and on shelves when you went Christmas shopping. Remember, we weren't going to have anything on those shelves. You all did it. No, no, not a joke. You did it on time with minimal delay. Delivery times were actually quicker than they were before the pandemic.

And today, there are about 40-percent fewer containers clogging the docks on long for long periods of time than there were last November. This May was the strongest month in the Port of Los Angeles's history—the strongest month in its history.

And we're helping fund improvements. Because of what my friends in the Congress have done, we've passed the infrastructure bill, and we're funding major new initiatives on the docks—on-dock rail systems, the Port of Long Beach—move goods more quickly. And port electrification so communications near the ports can be—and communities can breathe cleaner air because they're using electric machines that are not generating using gas, coal, et cetera. And we're continuing to expand capacity of our ports, thanks to the bipartisan infrastructure law.

Look, this is a time—we took a different approach also to trucking. Remember, last December, we brought together industry and labor to tackle problems facing truck drivers. It took the double—we had to double the number of commercial driver licenses being issued by the States in order to speed things up. We did it. We sped the creation and registration of apprenticeships, allowing aspiring drivers to earn while they were learning.

The result? We hit a record-setting employment in trucking earlier this year. And truckers' wages went up even after accounting for inflation.

We're going to keep at it with a new Super [Supply]* Chain Envoy, General Steve Lyons. General Lyons is a four-star general. He handled the transportation of a little bit of a thing—he had Transportation Command—only tens of millions of billions—[laughter]—of tons of things to move, from little things like tanks and aircraft and all of that.

But all kidding aside, he's come off the sidelines. He's retired. He's helped us identify and get ahead of the challenges that raise—that arise at our ports, our railroads, and on the road. This is about reducing costs for families.

You know, I have to admit to you, a lot of us elected officials have been in office for a while. Every once in a while, something you learn makes you viscerally angry. Like if you had the person in front of you, you'd want to pop them. No, I really mean it.

There are nine major ocean line shipping companies that ship from Asia to the United States. Nine. They formed three consortia. These companies have raised their prices by as much as 1,000 percent. So everything coming from Asia, they get 90-some percent of it—the stuff coming from Asia. They've raised it by 1,000 percent.

* White House correction.

That's why I called on Congress to crack down on—and they're foreign-owned—foreign-owned shipping companies that raise their prices while raking in, just last year, \$190 billion in profit—a seven-fold increase in 1 year. Seven-fold increase—\$190 billion.

The Senate passed legislation. I'm hopeful the House is going to act soon to crack down on these companies, as I've asked, and lower the cost. And I'm grateful to two Californians, Speaker Pelosi and John Garamendi, for leading this effort. Thanks, John. Well, I really mean it. It's a big deal.

People at home trying to make it, you know, paycheck to paycheck are wondering, "Well, like, what in God's name do nine"—understandably—"would nine shipping companies have to do with it?" Well, almost everything you're doing—everything from what you're eating to what you're having to drive, to what you're—with what you need in your home is related to supply chains and what's coming from abroad.

I'm doing everything in my power to blunt Putin's price hike and bring down the cost of gas and food. I led the world to coordinate the largest release of the global oil reserves in history—240 million barrels—to boost supply to keep prices from rising even more.

Thanks to America's leadership and diplomacy, we've helped Europe reduce its reliance on Russian oil by tripling our natural gas systems to Europe compared to last year.

And I'm working closely with our European partners to get 20 million tons of grain locked in Ukraine. Already in their silos now. Ukraine and Russia, the two major suppliers of grain and corn, they have 20 million barrels—I mean 20 million in their silos right now.

So we're trying to help them to get that, and the Russians are blocking the export. They're not allowed out through the Black Sea. And we're trying to figure out how to get it out of the country to get here—to—around the world. It will bring down prices.

But there's more than one way to solve this problem. We're continuing working to bring down food prices and gas prices to save families mother—money by dealing with other items. My dad used to say it's all about the standard of living—how much you have left in the paycheck at the end of the month, how much is left to do the basic things.

So, if you add up all the things that people need just to do their—to do everything from take care of their kids to turn the heat on or the air conditioning on and everything in between, there's a lot of ways we can reduce their cost, their cost of living, other than if we—while we're trying to get at the grain and gas.

We laid out a plan. For example, lower prescription drug costs; that would fundamentally affect the well-being of every family. Those of you who know somebody who has type 2 diabetes and has an insulin requirement monthly, you know it costs an average of \$647 a month. It can cost as high as \$1,000 in some place. You know how much it costs to make that one little vial of insulin? Ten dollars. T-E-N. Ten dollars.

No new research has been done since that was invented. And the charging is outrageous. So I think we should be able to have the Medicare do what they do when they deal with the VA. The VA says: "We're only going to pay you so much for this. If you don't want to"—and because they—Medicare negotiates the price for them. Well, if Medicare is able to negotiate the price on insulin, guess what? It comes down a whole hell of a lot. Outrageous numbers.

And so we could put a cap on insulin at \$35 a month and they'll still make a significant profit. Ten bucks to manufacture; thirty-five bucks.

For example, we can begin by lowering the cost of high-speed internet because of what y'all did dealing with the infrastructure bill. Working with the service providers, we cut the price and

rise—raised the speed, potentially lowering high-speed internet bills on average, for an average family, \$30 a month. Okay, well, you made—you're paying an extra more than \$30 a month for your gas, but that still increases the money out of pocket—decreases the amount you have to put out.

The point is, we're doing everything in our power to lower costs to families, but congressional Republicans, led by Senator Rick Scott, have a different approach. And if you didn't write it down, you'd think I was making it up, and I mean it sincerely. Rick Scott tried to change his words yesterday, by the way, after he introduced this legislation—he'd been campaigning.

He's the guy that had the—the reelection of the Senators for—on the Republican side. He realized that raising taxes on working families is a little unpopular. He said: "Everybody, no matter what their station, if they don't—if they're on welfare—should have—pay a tax. Everybody should pay a tax."

Well, but here's the truth: One concrete plan that they laid out was going to raise taxes on working families an average of \$1,500 a month, while we have 54 corporations out there who didn't pay any tax for the last 2 years and made \$40 billion. They don't want to tax them at all. They don't want to tax billionaires who are literally paying a lower tax rate than longshoremen are paying, literally, on a percentage basis. So he hasn't walked back from his plans.

On health care, he says what we have to do—now that we finally got the Affordable Care Act functioning and the price is down an average of 400 bucks for people, he wants to eliminate it. Again, we're back at "want to eliminate it" again.

So—and by the way, the one that's the best thing that the Republicans are pushing now in the reelection is that they think that Medicare—I'm not making this up; go online and look—Medicare, Social Security, and Medicare—Medicaid—go on the chopping block every 5 years. What that means is, at the end of 5 years, they go out of existence unless they're affirmatively voted back into existence—every 5 years. Medicare, Social Security, Medicaid.

And they forget people paid for their Social Security. They paid for it. And you know what's going to happen? People will say, "Well, they'll never eliminate it all." But they'll—what they'll do, they'll be able to pick it apart. They'll be able to cut it back. That's the whole objective.

And, folks, you know, it's not right. It's simply not right. And I disagree. And that's what—look, this is not your father's Republican Party; this is a different deal. It really is.

I've worked with a lot of honorable Republicans—very conservative Republicans—over the years when I was a Senator. But this is the MAGA gang. This is the MAGA crowd. I really mean it. They have a fundamentally different view of the role of government and who should pay what. And I'm going to work with anyone—Democrat, Republican, Independent—to deliver real solutions for families.

Look, because of the strong foundation we built, we're better positioned than just about any country in the world to overcome global—the global inflation we're seeing and to take the next step towards forming a historic recovery and a new moment. And I count "recovery" as going from where we are today, in terms of the economy, to stability—to make it stable. It is strong as can be but for inflation, but for gas and food.

And look, we have to keep—we have to keep coming together to find common ground to solve problems, like we've done in the ports and in trucking. We continue to build the extraordinary progress we've made. So we've got to continue building this economy from the bottom up and the middle out. And I mean that literally.

I am so sick and tired of trickle-down economics. It does not work. When the middle class is doing well—and they do well because of labor—when the middle class is doing well, the poor have a way up and the wealthy do very, very well. They have never been hurt when the middle class is doing well. Never. Never.

So it's about time we start to regather and remember who we are and get a lot of this done. But there's no better place to starting it than right here in the port and letting those nine foreign shippers understand the rip-off is over. *[Laughter]*

Thank you. Thanks. All right.

ExxonMobile Corporation/Domestic Oil Production

Q. Are you going to go after Exxon's profits, sir? Exxon's profits—are you going to—are you going to go after them?

The President. We're going to make sure that everybody knows Exxon's profits. Why don't you tell them what Exxon's profits were this year—this quarter? Exxon made more money than God this year. *[Laughter]* And by the way, nothing has changed.

And they're not—by the way, one thing I want to say about the oil companies: They talk about how we have—they have 9,000 permits to drill. They're not drilling. Why aren't they drilling? Because they make more money not producing more oil. The price goes up, number one. And number two, the reason they're not drilling is, they're buying back their own stock—which should be taxed, quite frankly—buying back their own stock and making no new investments.

So I always thought Republicans are for investment. Exxon, start investing, start paying your taxes.

Thanks.

NOTE: The President spoke at 10:51 a.m. aboard the Battleship USS Iowa Museum at the Port of Los Angeles. In his remarks, he referred to Eugene D. Seroka, executive director, Port of Los Angeles; Mario Cordero, executive director, Port of Long Beach; Mayor Robert Garcia of Long Beach, CA; Reps. Nanette Diaz Barragan, Alan S. Lowenthal, and John R. Garamendi; and President Vladimir Vladimirovich Putin of Russia. He also referred to S. 3580.

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Locations: Los Angeles, CA.

Names: Barragan, Nanette Diaz; Cordero, Mario; DiCostanzo, Mike; DiCostanzo, Sal; Feinstein, Dianne; Garamendi, John R.; Garcetti, Eric M.; Garcia, Robert; Lowenthal, Alan S.; Lyons, Stephen R.; Newsom, Gavin C.; Padilla, Alejandro; Pelosi, Nancy; Putin, Vladimir Vladimirovich; Scott, Richard L.; Seroka, Eugene D.; Walsh, Martin J.

Subjects: Agriculture : Food markets and prices; Agriculture : Food shortages due to conflict in Ukraine, mitigation efforts; Budget, Federal : Deficit and national debt; Business and industry : Corporate responsibility; California : Governor; California : President's visit; Children and youth : Childcare, affordability and costs; Commerce, international : Free and fair trade; Commerce, international : Global supply chain disruptions, efforts to address; Communications : Broadband and wireless technologies; Congress : Bipartisanship; Congress : House of Representatives :: Speaker; Diseases : Coronavirus, domestic prevention efforts; District of Columbia: 2021 civil unrest and violence at U.S. Capitol; Economy, national : Household income and wages; Economy, national : Improvement; Economy, national : Inflation; Economy, national :

Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Job training and assistance programs; Employment and unemployment : Unemployment rate; Energy : Domestic production, promotion efforts; Energy : Gasoline, oil, and natural gas costs; Environment : Air quality, improvement efforts; ExxonMobile Corp.; Foreign policy, U.S. : Diplomatic efforts, expansion; Government organization and employees : Federal regulations, review; Health and medical care : Health insurance exchanges; Health and medical care : Medicare and Medicaid; Health and medical care : Prescription drugs, affordability and costs; Infrastructure, national improvement efforts; Labor issues : Unions :: Labor movement and organized labor; Labor, Department of : Secretary; Legislation, proposed : Ocean Shipping Reform Act of 2022; Republican Party : National Republican Senatorial Committee; Russia : Oil supply and refining; Russia : President; Russia : Ukraine, airstrikes and invasion; Social Security and retirement : Social Security program; Taxation : Corporate tax rates; Taxation : Tax Code, reform; Ukraine : Russian airstrikes and invasion; Veterans : Health and medical care; White House Supply Chain Disruptions Task Force.

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