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U.S. Cabotage Laws at Forefront of 2006 MTD Executive Board Meeting

During its recently held 2006 Executive Board Meeting, the Maritime Trades Department, AFL-CIO (MTD) issued a statement that said that the U.S.-flag maritime industry "has a very successful record of fighting off attempts to undermine the nation's cabotage laws over the last several decades.

"By working together through grass roots organizations like the Maritime Cabotage Task Force, both workers and companies have been strong and united when making their case for the cabotage laws to politicians and government officials," the statement said.

The statement also said that the fight to maintain and preserve U.S. cabotage laws is never ending, particularly since nearly every industrial nation in the world has enacted some type of cabotage law. Cabotage laws are necessary because they ensure that citizen merchant mariners are trained and readily available to handle the transportation needs of their countries on suitable vessels.

MTD concluded the statement by reaffirming its commitment to the Jones Act and other U.S. cabotage laws by stating: "The Maritime Trades Department, AFL-CIO pledges to continue working...to protect the integrity of the U.S....cabotage laws. Our transportation workers deserve no less."

In addition to the statement, there was also a large cross-section of guest speakers at the meeting, including labor, management and government, who offered remarks highlighting the numerous benefits of the Jones Act, including jobs for U.S. mariners and increased national and economic security.

Speakers included General Norton Schwartz, commander of U.S. Transportation Command, Captain Robert Johnston, Senior Vice President of Overseas Shipholding Group, Representatives James Clyburn (D-SC), Neil Abercrombie (D-HI) and Xavier Becerra (D-CA).

AFL-CIO President John Sweeney also spoke, crediting U.S. maritime labor for being "so vigilant about keeping the Jones Act strong and enforced."

Sanborn Nomination for MARAD Chief Withdrawn

The fallout from the death of the DP World deal continued March 27, when the White House withdrew the nomination of David Sanborn to head the Maritime Administration. Sanborn, who works for DP World, was nominated for the post January 18. The withdrawal of the nomination was made at Sanborn's request.

DPW Bid Stirs Congressional Concern Over Foreign Ownership

Congress has continued to press forward with legislation related to Dubai Port World's (DPW) bid for P&O Ports in the United States. While DPW has announced it plans to sell the U.S. facilities acquired from P&O, lawmakers have introduced several bills addressing the acquisition. Some bills call for reform of the review process foreign companies undergo when trying to acquire U.S. companies, while others go further and restrict ownership of U.S. infrastructure.

House Armed Services Committee Chairman Duncan Hunter (R-CA) has introduced a bill (H.R. 4881) that would require U.S. ownership of infrastructure deemed critical to homeland security. Hunter said that under his bill, it would be up to the Pentagon and Department of Homeland Security to identify facilities critical to national defense.

The legislation would mean that facilities owned by all foreign companies, including those based in longtime allies in Europe, and identified as sensitive to U.S. homeland security, might have to be sold to U.S. firms that would then own, operate and manage them.

Companies in France and Germany, Australia and Mexico, for example, operate U.S. bridges and tunnels, ship terminals and water-purification plants, all of which would be reviewed for security concerns.

At this time, it is unclear if Hunter's legislation will move forward or how much support the bill will have in Congress, since foreign companies are major investors in U.S. infrastructure.

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