

SUPPORT FOR TITLE XI

While the U.S. shipbuilding industry provides an essential service to the nation, it currently is being underutilized. American-flag containerships are nearing the end of their life expectancy, but not enough is being done to ensure new bottoms are being built.

The fleet needs to be rebuilt and revitalized. The nation needs to maintain its defense shipbuilding base and an active U.S.-flag merchant marine.

That's where the Title XI Shipbuilding Loan Guarantee Program comes in. Under Title XI, companies who build in U.S. shipyards have access to low-cost capital. Studies have shown that for every dollar invested in Title XI, \$20 worth of economic activity is generated.

While this program is vitally important, Congress and the administration only have allocated enough funding to cover its administrative costs. For most of this century, the MTD has urged Congress and the White House to revive Title XI with the funding needed to help spur a new era in American shipbuilding.

Funding Title XI would do much more than just reinvigorate the country's aging fleet. Economic benefits also would follow, as many jobs would be created and maintained in the domestic shipbuilding and related service and supply industries. That's in addition to the jobs aboard U.S.-flag commercial vessels.

Having an adequate pool of skilled mariners is important to the nation, as they can be called upon to meet U.S. sealift needs in any circumstance, not to mention helping boost national economic security.

When funding for Title XI was revived by the Defense Reconversion Act of 1993, thousands of jobs were created or saved while America's shipbuilding industry was stabilized. Millions of dollars also were generated on the state, local and federal levels. With that kind of record, there could be even more opportunities for jobs and economic benefits by reviving the Title XI program.

And, as we heard from a guest speaker from NASSCO during the February Executive Board meeting, there is also the very real probability that without proper investment in this vital industry, America will suffer the same fate as the United Kingdom, which has been reduced to five shipyards. Since 1953, the U.S. has lost more than 300 yards, both commercial and naval, but the nation still has around 100. It's not too late.

NOW, THEREFORE BE IT RESOLVED that the Maritime Trades Department, AFL-CIO, its affiliates and Port Maritime Councils recognize the importance of the nation's shipbuilding industry and the need to revitalize the U.S.-flag fleet and;

BE IT FURTHER RESOLVED that the MTD, its affiliates and Port Maritime Councils call upon Congress and the administration to increase funding to the Title XI Shipbuilding Loan Guarantee Program to proper and needed levels.