



News Release

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Jones Act Fleet at Heart of National Maritime Day

Washington, D.C. – When America pauses on May 22 to salute its Merchant Marine, the Jones Act fleet will be front and center. The 40,000-plus vessels that move cargo and passengers between U.S. ports generate nearly 500,000 family-sustaining jobs and provide an annual payroll in excess of \$29 billion.

“U.S.-flag vessels in domestic waterborne commerce are the largest single component of America’s Merchant Marine,” said the Transportation Institute, a Washington, D.C.-based association that promotes the Jones Act and other U.S. maritime laws. “Twenty-four/seven, these vessels are hard at work keeping America strong by moving the raw materials and fuels that drive our economy. On the inland rivers, it’s coal and grain in tug-barge combinations. On the Great Lakes, it’s iron ore and limestone in self-unloading vessels. On the coasts, it’s petroleum in double-hulled tankers and goods of all kinds in containerships. Without the Jones Act fleet, the American economy would sputter and fail.”

Enacted in 1920, the Jones Act requires cargo moving between U.S. ports be carried in vessels that are U.S.-owned, U.S.-built, and U.S.-crewed. Other laws and statutes apply the same ground rules to the movement of passengers, towing, dredging, and marine salvage. The basic requirements of the Jones Act have been the foundation of U.S. maritime policy since 1817.

In a strong economy, Jones Act vessels will carry more than 1 billion tons of cargo, or more than 40 percent of all waterborne commerce in the United States. This activity generates \$100.3 billion in economic output, adds another \$45.9 billion to the value of U.S. economic output, and contributes \$11.4 billion in federal, state and local taxes.

The 499,676 jobs the Jones Act creates and sustains are spread across the nation, but the top 10 states for Jones Act employment are, in order: Louisiana, Texas, California, Washington, New York, Florida, Hawaii, Indiana, Illinois, and Tennessee.

The benefits of a vibrant and growing Jones Act fleet are almost too many to list. Ships and tug-barge units are extremely efficient. The Jones Act fleet hauls nearly a quarter of all domestic freight, yet accounts for only two percent of the freight bill.

Waterborne commerce is also the greenest form of transportation. A large U.S.-flag Great Lakes freighter can carry a ton of cargo 600-plus miles on a gallon of fuel compared to 200 for a train, and do so while producing 70 percent less carbon dioxide. A 24-barge tow on the inland rivers moves the same amount of grain as 384 rail cars or 1,680 highway trucks – again a boon to the environment and a much-needed lessening of congestion on the nation's overburdened rail beds and interstates.

While the Jones Act and other U.S. maritime cabotage laws govern domestic waterborne commerce, they also play a vital role in the nation's ability to defend its interests overseas. When American troops are stationed abroad, more than 90 percent of the materiel they require moves by ships. Jones Act vessels engage in these transoceanic voyages, but equally important are its mariners who began their careers in the Jones Act trades who crew the other U.S.-flag vessels ferrying arms and supplies to war zones.

Ships and mariners aren't the only contribution to national defense. America's Naval and Coast Guard vessels benefit from the skills and economies that come from building 2,000 Jones Act vessels each year in American shipyards.

The strengthening economy is increasing demand for Jones Act shipping. Vessels are returning to work on all waterways.

President Barack Obama will issue a proclamation in honor of National Maritime Day. As a candidate he declared, "America needs a strong and vibrant U.S.-flag Merchant Marine ... This is why you ... can continue to count on me to support the Jones Act...."

The United States has celebrated National Maritime Day on May 22 each year since 1933. It was on that date in 1819 that the American steamship SAVANAH left Savannah, Georgia, on what was the first transoceanic voyage under steam power. In 1946, many Governors declared May 22 their State's Maritime Day in recognition of the role the U.S. Merchant Marine played in winning World War II.

Since its founding in 1967, the mission of the Transportation Institute is to enhance American political, economic and military security by advocating a sound, comprehensive national maritime policy which secures the role of the U.S.-flag industry in both foreign and

domestic trades. A primary focus is to ensure the continued strength of the nation's domestic Jones Act fleet on America's Great Lakes, inland waterways, coastal seas and non-contiguous trades. The Jones Act is not only a critical component of the U.S. transportation infrastructure, but an essential source of domestic employment while simultaneously serving as a pillar of U.S. national security. The Jones Act fleet not only moves goods and people in increasing numbers, but does so in the most environmentally friendly and economically efficient manner.

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