March 12, 2024

Full Steam Ahead: Why We Are Working to Secure the U.S. Shipbuilding Industry

In 1975, the domestic industry was a leader in global shipbuilding, building more than 70 commercial ships in American shipyards and employing 180,000 workers. However, in the early 1980s, federal spending for the construction and operation of the U.S. shipbuilding industry was significantly slashed. Following these cuts, U.S. commercial shipbuilding essentially collapsed, unable to compete against foreign competitors that continued to operate with significant and growing subsidies from their own governments.

Tens of thousands of workers lost their jobs over the following decades, as shipyards closed and our nation's shipbuilding industrial base was reduced from close to 30 major yards to only a handful. This reduction has a ripple effect on U.S. manufacturing – and our members have felt those impacts.

Unfortunately, other countries have taken advantage of this decline, specifically China. Since being extended Permanent Normal Trade Relations (PNTR) in 2000, the policies of the Chinese Communist Party have devastated our economy through their illegal trade practices. In recent years, China has crafted a comprehensive approach to control global transportation and logistics networks to dominate the world's shipping industry.

But we have momentum right now. After decades of decline in U.S. manufacturing, the tide is beginning to turn. We have seen:

- A once-in-a-generation investment in our infrastructure using the things USW members make to rebuild our nation.
- A renewed commitment to bringing outsourced jobs home producing results in our industries.
- Years of USW member advocacy for policies that help our employers remain competitive paying off.

We need to keep that momentum going. It's time to secure our national security, create new and secure existing jobs, and build our supply chain. It's time we call China to the carpet and take the shipbuilding industry back.

Our union has never shied away from using U.S. trade laws and tools to help defend and bolster our members' jobs and industries. The USW has fought against harmful trade policies for decades and held bad actors accountable. We intend to continue that work. Today, we filed a Section 301 case against China regarding their predatory commercial shipbuilding and transportation practices. And we intend to win that case with your help.



Please stay tuned to Rapid Response in the coming weeks, and stay up to date by visiting <u>full-steam-ahead.org</u>. We'll be providing education and ways you can help protect and create American jobs – our members' jobs – by holding China accountable.