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**IMPORTED STEEL RULING WILL HARM AMERICAN PORT WORKERS
THROUGH REDUCED IMPORTS AND POSSIBLE CARGO DIVERSION TO
CANADA**

WASHINGTON, DC – Following yesterday’s announcement by President Bush that tariffs of up to 30% will be placed on imported steel cargoes, the port community raised concerns about job loss and cargo diversion. The Free Trade in Steel Coalition (FTSC), representing nearly 50 major U.S. port authorities, port terminal operators, longshore labor unions, and other U.S. port and transportation industry organizations, questions the effectiveness of the ruling in rebuilding America’s domestic steel industry while concurrently harming existing American jobs in the port and transportation industries.

Imported steel is classified as a “J” list cargo which means that no identifying marks or numbers are required. “This lack of identifying marks may open the door to additional cargo diversion,” said Dennis Rochford, President of the Maritime Exchange for the Delaware River and Bay and Coordinator of the FTSC. “With Canada being exempt from the ruling, Customs needs to provide the resources to ensure that cargo originally intended for the Delaware River isn’t being re-routed through Canadian ports. Otherwise, additional American jobs may be lost.”

A November 2001 economic study performed by Martin and Associates shows that nearly 38,000 jobs nationwide and \$1.7 billion of direct business revenue were attributable to the port and inland transportation industries in 2000 for the handling and movement of imported steel products. On the Delaware River alone, 4500 jobs, \$175 million in personal income, \$300 million in business revenue and \$70 million in federal, state and local taxes can be attributed to this trade.

“While we recognize that the Administration did not acquiesce to all the demands of domestic steel,” said Rochford, “we believe that this mix of tariffs and quotas will be particularly hard on the steel cargoes of the Delaware River.” Robert Palaima, President of Delaware River

Stevedores and a member of FTSC stated, "I thought the administration was committed to a free-trade philosophy. This flies in the face of it."

"The federal government has been protecting the domestic steel industry for decades now," said Adam McBride, Executive Director of the Port of Wilmington, Delaware and FTSC member. "[U.S. steel producers] have got to get competitive in world markets, and I'm not sure these tariffs will force them to do what they need to do."

Even with this decision, it appears that the battle isn't over as the FTSC will continue to work toward saving American jobs. The strength of the coalition lies in its membership—from major port authorities and businesses to labor unions such as the International Longshoremen's Union and the Teamsters. "During our meeting with Ambassador Zoellick, he asked that we continue our 'working partnership' in providing the government with this view from the maritime industry," said Rochford. "We fully intend to wave this banner to support our industry."

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