

October 28, 2015

President Barack Obama  
The White House  
1600 Pennsylvania Ave., NW  
Washington, DC 20500

Dear Mr. President,

As the elected leaders of unions representing American aviation and maritime workers, we are extremely concerned by elements in the proposal for the services, investment and e-commerce chapter of the Transatlantic Trade and Investment Partnership (TTIP) recently released by the European Union (EU). On May 10, 2013 the Transportation Trades Department, AFL-CIO (TTD) submitted comments to USTR (attached) on behalf of the undersigned unions which urged trade negotiators to resist efforts by the EU to include air and maritime transport services in the TTIP negotiations. The proposal released by the EU on July 31, 2015 confirmed that the EU is seeking to use the TTIP process as a means to undermine and dismantle many critical U.S. aviation and maritime laws and regulations at the expense of U.S. workers.

Air traffic rights and related services have been largely excluded from broader trade negotiations, and with good reason. Air traffic rights and related services have been negotiated through bilateral “Open Skies” agreements overseen by subject-matter experts at the Departments of State and Transportation. Since 1993 the Open Skies regime has dramatically liberalized aviation trade between the U.S. and its trading partners throughout the globe, with Open Skies agreements currently in place with over 110 countries. In fact, in 2010 the U.S. and EU signed stage two of the U.S.-EU Air Transport Agreement, liberalizing air services between the U.S. and the 28 member states of the EU plus Iceland and Norway. The inclusion of air services in TTIP would not only be unprecedented, but unnecessary. A broad, bipartisan coalition within Congress agrees with this position, with 158 members signing a letter in 2013 urging USTR to exclude air services from TTIP.

With regards to the specifics of the EU proposal, Section VIII of the Services Chapter opens up many aspects of aviation services to unchecked liberalization. Most troublingly, section VII (4) would eliminate U.S. domestic ownership and control laws. As detailed in the May TTD comments, we believe that eliminating our ownership and control laws would threaten U.S. aviation jobs, create unfair competition for U.S. carriers, raise domestic security concerns and undermine the Civil Reserve Air Fleet (CRAF) program. Furthermore, allowing foreign interests to own and control U.S. airlines would create a further economic incentive to outsource aircraft maintenance work. The EU proposal also contains new, broad definitions for “ground handling services” and “airport operation services” that go well beyond language in previous trade agreements. We urge the Administration to categorically reject this proposal and refer any further discussion of air services to the Joint Committee that oversees implementation of the U.S.-EU Open Skies Agreement.

Section VII of the EU proposal – which addresses trade in maritime services – is equally as troubling. As with aviation, maritime services, laws and policies have been excluded from multilateral, regional and bilateral free trade agreements because of their unique economic and national security importance. The EU proposal includes broad definitions that incorporate all aspects of maritime transportation including cargo handling and longshore operations, and intermodal services. The proposal would also effectively gut the U.S. maritime cabotage laws collectively known as the Jones Act.

Since 1920, the Jones Act has served an important economic and national security role for our nation, including the sustainment of over 500,000 good-paying American jobs and the generation of \$100 billion in total annual economic output. By requiring that all ships engaged in domestic marine commerce are built in America and crewed by U.S. mariners, the Act ensures a pool of well-trained, loyal U.S.-citizen mariners capable of supporting our armed forces, trade objectives, foreign aid programs, and national security. Laws and policies that support the U.S.-flag fleet also maintain heavy bipartisan support in Congress. On October 9, 2015, the House voted 306-109 to reject an amendment that would have stripped an increase in funding for the Maritime Security Program (MSP). MSP helps maintain a U.S.-flag fleet capable of supporting the Department of Defense during times of war or national emergency. The effectiveness of MSP and the sustainability of the U.S.-flag fleet relies on the full implementation of the Jones Act. Any action taken in TTIP to restrict or otherwise weaken the Jones Act would prove detrimental to the seafaring readiness of the privately owned vessels upon which our nation relies.

The U.S. aviation and maritime industries are uniquely important to our nation's economic and national security. For this reason, USTR has rightly excluded these services from its broader free trade agenda. With the release of the EU proposal on TTIP, however, it is clear that they seek to undermine decades of sound U.S. policy. We ask that you clearly state to the EU and domestic stakeholders that aviation and maritime services will not be part of a TTIP agreement.

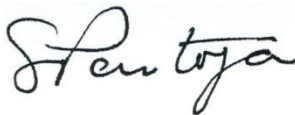
Sincerely,



Sara Nelson  
International President  
Association of Flight Attendants-CWA



Captain Tim Canoll  
President  
Air Line Pilots Association



Sito Pantoja  
General Vice President  
International Association of Machinists and  
Aerospace Workers



Harold Daggett  
President  
International Longshoremen's Association



Marshall Ainley  
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Donald Marcus  
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Gunnar Lundeberg  
President  
Sailors' Union of the Pacific



Edward Wytkind  
President  
Transportation Trades Department, AFL-CIO



Harry Lombardo  
International President  
Transport Workers Union of America

cc: Hon. Anthony Foxx, Secretary of Transportation  
Hon. John Kerry, Secretary of State  
Hon. Michael Froman, United States Trade Representative