International Association of Machinists and Aerospace Workers



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OFFICE OF THE INTERNATIONAL PRESIDENT

March 24, 2025

Office of the United States Trade Representative 600 17th Street NW Washington, DC 20508

Re: IAMAW Written Testimony Concerning Proposed Action Pursuant to the Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance, Docket Number USTR-2025-0003

On behalf of the International Association of Machinists and Aerospace Workers (IAM), I hereby submit my full written testimony for the public hearing to be held on March 24, 2025, regarding the Office of the United States Trade Representative's (USTR) proposed action pursuant to the Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance (Docket Number USTR-2025-0003).

The IAM represents approximately 600,000 active and retired members across a wide variety of industries including aerospace, transportation, manufacturing and shipbuilding. Our members work on the forefront of our nation's industrial base, building and repairing both commercial ships and the critical Naval platforms on which our men and women in uniform rely. As a shipbuilder by trade myself, out of Bath Iron Works in Maine, I know first-hand the critical importance of maintaining and strengthening the U.S. shipbuilding industry and its workforce.

The IAM applauds the U.S. Trade Representative's release of proposed remedies in response to the Section 301 investigation into China's unreasonable and discriminatory practices aimed at control and dominance of the maritime, logistics and shipbuilding sectors. I have seen firsthand the impacts of their predatory policies on U.S. shipbuilding and our defense industrial base.

As the People's Republic of China has intensified their decades long effort to dominate maritime sectors, U.S. shipbuilding capacity has been hollowed out. Our members are particularly aware of these impacts. They have devoted their lives to learning and applying the highly specialized skills needed to build and repair commercial and naval vessels, only to be furloughed or laid off by a shrinking industry.

In the wake of China's predatory practices, U.S. shipyards have been forced to lay off skilled workers, close shop, or are left to compete for a mere handful of Naval and Coast Guard contracts. Year by year, our capacity to meet future ship production needs is further eroded. Without action, this strategically vital domestic industry will continue its decline.

We applaud USTR for proposing meaningful remedies with a multi-pronged approach to push back against China's predatory behavior while also incentivizing the purchase of U.S.-built commercial ships. The swift imposition and implementation of impactful relief measures is crucial to the long-term health of the domestic shipbuilding industry.

In order to ensure the proposed port service fees work best to rebuild our domestic shipbuilding capacity, we recommend the proceeds from the fees be directed to a trust fund dedicated to funding investments in the shipbuilding industrial base and workforce development. We also recommend the port service fees are implemented in such a way as to avoid the potential diversion of ships away from U.S. ports. Finally, we urge the Administration and Congress to work together to pair these remedies with additional investment and policy changes to grow domestic shipbuilding.

Machinists Union members are eager to build and maintain our 21st century naval and commercial fleet. We remain steadfast in our devotion to that goal. The current state of our domestic shipbuilding industry is insufficient to meet our economic and national security needs. We need swift and decisive action to turn this critical industry around.

We urge USTR to move forward with impactful relief measures, sufficient to address the PRC's extensive efforts to restrict U.S. commerce and to reinvigorate our domestic shipbuilding industry. Additional detailed suggestions for implementation of these important measures is included in my written testimony.

I ask that two letters from IAM-represented shipyards, Mare Island Dry Dock in California and Boston Ship Repair in Massachusetts, be entered into the record. Both of these IAM-represented yards support strong remedies, and both yards have excess capacity and skilled workers ready to take on additional shipbuilding and repair work.

Additionally, attached is the full consolidated testimony of the petitioning unions of which the IAM is a party.

Respectfully submitted,

Bri Byn

Brian Bryant

International President

International Association of Machinists and Aerospace

Workers