



THE JONES ACT

THE FOUNDATION OF THE U.S.
DOMESTIC MARITIME INDUSTRY



THE JONES ACT and related maritime cabotage laws require U.S. domestic waterborne commerce to be carried on vessels that are U.S.-built and registered, U.S.-owned, and crewed by U.S. citizens. These laws ensure that companies engaging in domestic trades or services compete equally and that all are fully subject to U.S. laws and regulations. The Jones Act and related cabotage laws are the most cost-effective and efficient means of ensuring the future strength of the U.S. domestic fleet and the maritime infrastructure upon which U.S. national and economic security depend.

U.S. JOB CREATION

Nearly 650,000 jobs enrich the American economy as a direct result of the Jones Act. Further, each year the Jones Act generates more than \$154 billion in total economic output, \$16 billion in taxes, \$41 billion in annual wages, and adds \$72 billion to the value of U.S. economic output. The Jones Act boosts the national economy by maintaining the efficient and economical flow of domestic waterborne commerce, and providing good, family-wage jobs for Americans. For example, every job created in an American shipyard generates four jobs elsewhere in the U.S. economy.

PROTECTING THE HOMELAND

The Jones Act fleet contributes militarily useful ships and experienced crews to national defense sealift needs. Skilled U.S. merchant mariners are available to crew vessels that move goods for the military, supplying U.S. military forces around the world with the goods and munitions needed to sustain their missions. Because of the Jones Act, the U.S. military is able to rely on a large U.S.-owned and U.S.-crewed sealift surge force that can be used in times of war or for humanitarian missions.

ANNUAL ECONOMIC CONTRIBUTION OF THE JONES ACT

- Over **\$154 billion** in total economic output
- Over **\$16 billion** in taxes
- \$41 billion** in labor income
- Adds **\$72 billion** to the value of U.S. economic output
- Creates nearly **650,000 jobs**
- Approximately **40,000** vessels in the American domestic fleet
- 1 shipyard job creates 4 jobs** elsewhere in the economy

Moreover, the Jones Act helps to sustain the defense industrial base through the domestic oceangoing shipbuilding industry. Domestic shipyards build and repair commercial vessels as well as vessels capable of meeting U.S. Navy needs. The Jones Act ensures continued U.S. economic and operating control over the marine transportation system – a key part of the overall U.S. transportation system and one of six transportation-related critical infrastructures supporting the U.S. economy.

ENSURING SAFETY UNDER U.S. LAWS

The Jones Act fleet is subject to strict inspections and maintenance schedules, which ensures that these vessels and their owners and operators are adhering to U.S. safety and environmental laws. Jones Act vessels operating on coastwise routes are always subject to U.S. regulatory oversight, while their foreign competitors are subject to U.S. laws only while transiting U.S. territorial waters. Additionally, unlike foreign vessel owners, Jones Act companies are required to comply with all other U.S. laws including tax, immigration, and labor laws.

DRIVING EFFICIENT AND INNOVATIVE GREEN TECHNOLOGIES

The U.S. domestic fleet helps to reduce congestion on the nation's surface transportation corridors and improves the delivery of freight and passengers. The transportation of cargo by Jones Act vessels is more efficient and generates fewer air pollutants than other transport modes. If waterborne commerce was diverted to the nation's highways, heavy truck traffic would nearly double. Additionally, if waterway freight traffic was diverted to rail, the tonnage on the nation's railroad system would increase by nearly 25 percent. The Jones Act allows for efficient transportation of freight while helping to reduce the transportation industry's environmental footprint.

ABOUT AMERICAN MARITIME PARTNERSHIP

American Maritime Partnership (AMP) is the voice of the U.S. domestic maritime industry, a pillar of our nation's economic, national, and homeland security. More than 40,000 American vessels built in American shipyards, crewed by American mariners, and owned by American companies, operate in our waters 24/7, and this commerce sustains nearly 650,000 American jobs, \$41 billion in labor compensation, and more than \$150 billion in annual economic output.



1601 K Street NW
Washington, DC 20006-1600
Phone: 202-661-3740

Email: info@americanmaritimepartnership.com
www.americanmaritimepartnership.com