

**America's**



**4th Sea Coast**

# **2023 Annual Report**

**Great Lakes Maritime Task Force**



## GLMTF 2023 Year in Review

By the numbers, Great Lakes Seaway shipping supports \$36 billion in economic activity and 241,000 jobs. Shipping on the Great Lakes continued to increase in 2023 with iron ore leading the way. As of September 2023, iron ore shipments totaled 31.2 million tons, which was 29 percent higher than at the same time last year. Grain shipments continue to hold steady despite the disruption caused by a weeklong closure of the St. Lawrence Seaway, and cargo container ships are making their way further into the heartland to take advantage of our multi-modal port facilities. Cruise ships have increased their calls to Great Lakes ports with over 170,000 passengers visiting in 2023, translating into millions of dollars from tourists and equally important educating people from outside the region about the U.S. maritime industry on the Fourth Sea Coast.

While Great Lakes shipping has had a good year, there have been tremendous challenges with a shrinking maritime workforce, labor strikes in the auto industry and St. Lawrence Seaway, and increased shoaling in smaller harbors and ports. Doing less with more seems to be a theme at present as inflation and certain regulatory policies have raised prices specifically with ongoing and recurring marine infrastructure projects. Some individual State policies placing restrictions on dredged material placement have, in some cases, tripled the cost of normal navigation channel maintenance. The new large navigational lock, currently under construction, in Sault Ste. Marie, Michigan, highlights the issue of massive cost increases over the past few years. Fortunately, Congress understands the national importance of U.S. Great Lakes shipping and continues to add critical funds to the U.S. Army Corps budget to keep harbors and channels dredged, lock maintenance on schedule, and new construction moving forward.

The lack of skilled workers continues to impact shipping along with virtually all industries. We need to invest in the institutions that grow the next generation of workers. Specifically, State Maritime Academies are crucial and must continue to receive federal support including the continued funding for construction of the National Security Multi-Mission Vessels which provide modern training platforms for the maritime transportation workforce. A step in the right direction is the flagship of the new class of maritime training ships, the EMPIRE STATE, commissioned this year with four more ships planned for delivery between 2024 and 2026.

Federal and State regulators need to ensure that policies are sound and put the maritime industry in a position to succeed while balancing the protection of our home waters. In October 2023, The U.S. Environmental Protection Agency (EPA) published in the Federal Register a supplemental notice to the proposed Vessel Incidental Discharge National Standards of Performance and recognized that requiring current "Lakers" to install ballast water management systems (BWMS) is not feasible. Technology that can operate in waters of the Great Lakes without significantly impacting vessel ballasting rates does not currently exist. The U.S. Great Lakes maritime industry continues to work with researchers to find a solution that is effective at managing ballast water without significant impacts to ship operations.

The Jones Act has never been needed more than now. The Jones Act shields U.S. mariners and U.S. shipbuilders from dangerous foreign entities that place profit over safety and endanger our environment. America cannot afford to outsource the U.S. supply chain, our economic security, or our national security to foreign entities paying poorly trained and regulated seafarers poverty wages. The next generation of U.S. mariners and shipyard workers needs to know that good-paying U.S. maritime jobs will be available in the future and not subject to foreign interests. Competing with China will hinge on a strong U.S. maritime workforce.

### MEMBERS:

#### ILLINOIS

Calumet River Fleeting, Inc.  
The Chicago and Western Great  
Lakes Port Council  
CN  
Int'l Union of Operating  
Engineers Local 150  
Holcim U.S.

#### INDIANA

Central Marine Logistics, Inc.  
Ports of Indiana

#### KANSAS

International Brotherhood  
of Boilermakers

#### MICHIGAN

Consumers Energy  
Detroit/Wayne County Port Authority  
Dock 63 Inc.  
DTE Energy  
Durocher Marine  
Edw. C. Levy Co.  
Grand River Navigation Company  
Great Lakes Dock & Materials, LLC  
Interlake Logistics Solutions  
International Shipmasters' Association  
The King Co., Inc.  
Lake Michigan Carferry Service, Inc.  
Lakes Pilots Association  
MCM Marine, Inc.  
Michigan Maritime Trades Port Council  
Port of Monroe  
Ryba Marine Construction Co.  
Seafarers International Union  
Soo Marine Supply, Inc.  
Verplank Dock Co.  
Viking Marine Construction  
Warner Petroleum Corp.  
West Michigan Dock and Market –  
Port of Muskegon  
Western Great Lakes Pilots Association

#### MINNESOTA

Duluth Seaway Port Authority  
Great Lakes Fleet

#### MONTANA

Montana Coal Council

#### NEW JERSEY

Gallagher Marine Systems (USA)



## NEW YORK

American Ship Repair Co., Inc.  
American Steamship Company  
St. Lawrence Seaway Pilots Association

## OHIO

American Maritime Officers, AFL-CIO  
Cleveland-Cliffs Inc.  
Cleveland-Cuyahoga County  
Port Authority  
Consumer Energy Alliance-Midwest  
CSX Transportation-Toledo Docks  
Faulkner, Hoffman & Phillips, LLC  
Great Lakes District Council, ILA, AFL-CIO  
The Great Lakes Towing Company  
IAMAW Local Lodge 1943  
ILA Lake Erie Coal & Ore Dock  
Council  
ILA Local 1317  
ILA Local 1768  
The Interlake Steamship Company  
International Organization of  
Masters, Mates & Pilots, AFL-CIO  
Lake Carriers' Association  
Lorain Port Authority  
Northeast Technical Services Co.  
Osborne Concrete & Stone Co.  
Toledo Port Council MTD, AFL-CIO  
United Steelworkers, District 1, AFL-CIO-CLC

## PENNSYLVANIA

Carmeuse Lime and Stone, Inc.  
Donjon Shipbuilding & Repair, LLC  
United States Steel Corporation

## WISCONSIN

Bay Engineering, Inc.  
Bay Shipbuilding Company  
Brown County Port &  
Resource Recovery Department  
Fraser Shipyards, Inc.  
Hallett Dock 8 LLC  
Midwest Energy Resources Company  
Port Milwaukee  
Roen Salvage Company

## GREATER WASHINGTON, DC

American Great Lakes Ports Assoc.  
American Maritime Congress  
American Maritime Officers Service  
K&L Gates, LLP  
Marine Engineers' Beneficial  
Association, AFL-CIO  
Transportation Institute

Ports across the Great Lakes continued to invest in their infrastructure by reconstructing docks, improving road and rail access, expanding storage capacity, and modernizing cargo handling equipment. The Port Infrastructure Development Program (PDIP) has provided a critical \$154.5 million to twelve Great Lakes Ports over the past five years.

This past year the U.S. Coast Guard's (USCG) icebreaking mission moved forward. The 2023 National Defense Authorization Act included language that mandates better performance tracking for a comprehensive look at the health of the Great Lakes Navigation System during the winter months. The Act also authorized \$350 million for the construction of a new USCG heavy Great Lakes icebreaker. The 2024 President's Budget includes a request for \$55 million to start construction of the new icebreaker, which is desperately needed now. Unfortunately, the USCG estimates construction will take another 10 years after initial funding is secured.

The following annual report illustrates progress made and the work that must continue to be done to keep the Fourth Sea Coast a national economic driver and the backbone of North American manufacturing. Please visit us online at [www.glmtf.org](http://www.glmtf.org) for more details.

We thank you,

John D. Baker, International Longshoremen's Association – Local 1317, GLMTF President

Richard Hammer, Donjon Shipbuilding and Repair, GLMTF 1st Vice President

John E. Clemons, American Maritime Officers, AFL-CIO, GLMTF 2nd Vice President

James H. I. Weakley, Lake Carriers' Association, GLMTF 3rd Vice President

Members of the Great Lakes Maritime Task Force



## A message from the GLMTF President, John D. Baker, International Longshoremen's Association – Local 1317

The economic impact of U.S. shipping on the Great Lakes is tremendous and drives the entire North American economy. The recently released study performed by Martin and Associates illustrates how vital the maritime industry is to the region and the nation with more than 240,000 jobs driving \$36 billion in economic activity making the Great Lakes Region the third largest economy in the world behind the U.S. and China.

We must continue to invest in the infrastructure and the people that make the Fourth Sea Coast an economic powerhouse. Navigation structures like the new Soo Lock must be a priority along with properly resourcing federal partners that keep shipping lanes open and safe for navigation. Dredging for ports and connecting channels is crucial to moving raw materials and finished products in the most efficient and least carbon intensive mode of transportation. One 1000-foot Laker moves one ton of cargo 607 miles on one gallon of fuel taking hundreds of vehicles off congested roadways and rails out of underserved and underrepresented communities while saving \$3.9 Billion per year in transportation costs. The advantage of marine highways is clear but just as the nation rebuilds roads and bridges care and focus must be paid to our navigational waterways. Our nation's supply chain hinges on a reliable marine highway system and that includes the men and women who crew U.S. vessels and operate marine terminals and facilities.

The mariner shortage is a global, national, and regional problem exacerbated by the COVID-19 pandemic. The lack of new mariners poses a tremendous risk to our national security and our economy. U.S.-flagged vessels are incredible feats of engineering but they are only floating steel without the men and women needed to bring them to life. We must invest in education and training to attract new mariners. We must reduce wait times and streamline credentialing processes in order to compete effectively for our most precious resource, new U.S. sailors.

Finally, welcome to our newest GLMTF members. Viking Marine Construction Company located in Holland, Michigan, is a leader in dredging, dock installation, earth retention services, and much more. Northeast Technical Services Co. Inc. (NETSCo) located in Cleveland, Ohio, specializes in innovative designs including advanced technology and construction of complete ship, tug, and barges. American Maritime Congress located in Washington D.C. advocates for the U.S.-flag shipping industry and our nation's merchant mariners. GLMTF membership continues to grow as we work together to advance waterborne commerce and related industries on the Great Lakes.

IN 2022, ON THE GREAT LAKES -  
ST. LAWRENCE SEAWAY SYSTEM:

**241,286 jobs**  
**SUPPORTED**



IN 2022, ON THE GREAT LAKES -  
ST. LAWRENCE SEAWAY SYSTEM:

**ECONOMIC  
ACTIVITY  
GENERATED**

**\$36**  
billion (USD)

**\$46.8**  
billion (CDN)





## Dredging and Navigation Structures

The Great Lakes Navigation System needs recurring investment to ensure federal navigation channels remain open and safe. Dredging and the repair and construction of navigation structures, such as breakwalls, are even more critical due to frequent water level fluctuations and violent storms depositing lake bottom sediment in harbors. Inflation and environmental regulations have pushed navigation infrastructure maintenance costs to extreme levels. GLMTF supports continued distributions from the Harbor Maintenance Trust Fund to draw down the \$10 billion surplus. Allocations of at least 13 percent of the total distribution must go to the Great Lakes Navigation System. While the Great Lakes System has seen an increase in dredging funds over the last few years, we are now doing less but require more funds.



## The Jones Act = National Security

GLTMF supports strict adherence to the Jones Act and all existing maritime cabotage laws, as they play a crucial role in encouraging a strong U.S. Merchant Marine for both economic security and national defense. America's domestic fleet is an important part of the national maritime infrastructure that helps ensure ample U.S. sealift capacity exists to defend our nation. American ships, crews to man them, ship construction and repair yards, intermodal equipment, terminals, cargo tracking systems, and other infrastructure need to be available to the U.S. military at a moment's notice in times of war, national emergency, or even in peacetime. In addition, American domestic vessels move defense cargoes to coastal ports for overseas shipments. The Jones Act protects America and Americans by ensuring highly trained and regulated U.S. maritime workers are at the helm safely navigating a course in our nation's waters and ports. Our security should not be outsourced to profit-focused foreign entities.

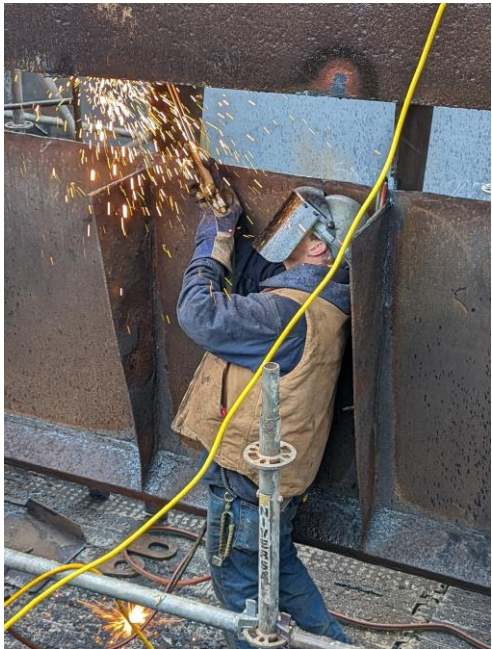


## Short Sea Shipping

Short sea shipping reduces carbon emissions by taking trucks off the roads and locomotives off the rails. Short sea shipping is the most efficient mode of transportation. Great Lakes ports are making investments to accommodate this mode of movement that will bring coastal cargo further into the heartland of America. The Harbor Maintenance Tax is a key impediment to launching new short sea shipping services. The value-based tax is only assessed if the cargo moves by vessel, so it serves as a disincentive to move trucks or railcars and their payloads by water. GLMTF supports legislation that provides an exemption from the Harbor Maintenance Tax for non-bulk cargo moving between U.S. ports and between U.S. and Canadian Great Lakes ports.

## Invest in Great Lakes Shipbuilding

The Great Lakes region has been a ship construction and repair titan for over a century. Every type of vessel can and has been constructed including submarines, warships, barges, tugs, and self-unloading bulk carriers. Each year Great Lakes shipyards repair and upgrade U.S.-flagged vessels whose companies invest nearly \$130 million in everything from steel hull plating to the newest electronics. Great Lakes shipyards are a vital national asset employing more than 1,700 workers. GLMTF supports the Title XI Ship Loan Guarantee Program and Capital Construction Fund. The minimum appropriation for Title XI should be at least \$100 million. We also support trade negotiations and/or legislation to end foreign government subsidies to their own shipyards. Finally, GLMTF supports federal tax policies that encourage the modernization of both plant and equipment for shipowners and shipyards by the use of investment tax credits.







## Build the Future Through State Maritime Academies

The six state maritime academies are the vital feeder of the next generation of merchant and military mariners. Federal funding needs to be prioritized for these institutions to include continued support for the construction of modern training ships and increased scholarship opportunities. A statement by U.S. Maritime Administrator Ann Phillips cites a 2017 study concluding that the U.S. is short more than 1,800 sailors required to crew concurrent operations of the commercial U.S.-flagged fleet and sustained military sealift operations. The number of sailors has declined even further since 2017 and post-pandemic. This national security concern needs immediate attention and the state maritime academies, including the Great Lakes Maritime Academy, provide an opportunity for investment.

## Build the USCG Heavy Great Lakes Icebreaker

The 2024 President's Budget included a request for \$55 million for the construction of a heavy Great Lakes icebreaker for the U.S. Coast Guard (USCG). The USCG cites a 10-year construction timeline for the new asset, which makes urgency critically important to get the project underway now. GLMTF supports continued appropriations for this winter public safety vessel that will keep the waterways plowed, mariners safe, and prevent ice jam flooding of coastal communities. Time is running out for the current USCG icebreaking fleet as more than 70 percent are over 40 years old and exceeding their designed service life. The 2023 National Defense Authorization Act (NDAA) included \$350 million for the procurement of the icebreaker. GLMTF supports a reauthorization of \$350 million in the 2024 NDAA.



*Lakers Stuck in Western Lake Erie December 2022*



*Ballast Water Testing 2023*

## Uniform Regulation of Ballast Water

The Great Lakes need U.S. and binational ballast water regulations that are protective of the environment, maintain efficient waterborne commerce on the Great Lakes and St. Lawrence Seaway, and are binationally compatible. GLMTF supports [the implementation of the Vessel Incidental Discharge Act \(VIDA\) by the EPA and USCG](#) that aligns with the operational requirements of the U.S.-flagged Great Lakes fleet and is protective of the Great Lakes. GLMTF also supports a petition submitted by the Lake Carriers' Association to the Federal Maritime Commission on March 6, 2020, citing unfair practices by the Government of Canada in requiring U.S.-flagged lakers to install a [BWMS](#) on any vessel even if that is a U.S.-flagged vessel not discharging any ballast water in Canadian waters.

## Increase Funding for the Soo Lock

GLMTF supports continued increased funding for the new large navigational lock in Sault Ste. Marie, Michigan. Increased construction costs should not deter Congressional appropriations for the U.S. Army Corps to complete this critical infrastructure project, which has national economic security impacts across North America. The Corps has continued current lock chamber construction using creative contracting methods, but they need additional funding to keep the project on schedule for completion in 2030. Any lapse in funding will jeopardize timelines and could increase costs further.





**Great Lakes Maritime Task Force** is a member-driven organization formed in 1992 to defend the Jones Act; promote Great Lakes commercial maritime industry and trades; speak with a unified voice on issues impacting our members, economic efficiency, and environmental benefits; and advocate for the Great Lakes in the state capitals and in Washington, D.C. The Great Lakes Maritime Task Force promotes:

- A strong U.S.-flag Merchant Marine on the Great Lakes,
- Expanded domestic and international trade through public and private Great Lakes ports and docks,
- Fully funded maintenance and operation of Great Lakes deep-draft ports and waterways,
- Maximum utilization of U.S. shipyards in the Great Lakes,
- Protection of the Great Lakes environment,
- A strong maritime-dependent Great Lakes economy, and
- Necessary federal icebreaking resources in Great Lakes ports and waterways.





## GREAT LAKES MARITIME TASK FORCE

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