



President Elect Barack Obama

Re: Recommendations based on our experiences with federal agencies

Dear President-Elect Obama:

Over the past six months our organization has worked with our partners in organized labor on many committees of jurisdiction to help formulate recommendations to you from a worker's perspective to correct federal policies that harm everyday Americans. We all worked diligently on recommending workable solutions to actual problems and real life cases we had experienced at the hands of the George W. Bush Administration. In most cases we got "down in the weeds" in recommending detailed solutions. While these consensus recommendations are essential for implementing real world "fixes" to the failed Bush polices, I'm not duplicating nor undercutting any recommendations from organized labor in this letter.

We bring a focused perspective to the table. The Metal Trades Department is a unique trade department of organized labor- the only department that organizes bargaining units, lobbies of behalf of entire industries and is an exclusive umbrella bargaining representative of the bargaining unit workers, who are dues-paying members of the many different craft unions affiliated with the Department. We don't have individual union "members" of the Metal Trades; our department is composed of National and International Unions- just like the AFL-CIO and the "Change to Win." The MTD was chartered 100 years ago and pre-dates the merger of the AFL and CIO by almost 50 years. To the best of my knowledge, we are the only international labor organization that has as its affiliates and solidarity charter members, the "Change to Win" International Unions as well as AFL-CIO affiliated National and International Unions. We represent defense, energy and industrial workers in the federal government as well as the private sector. We are "the" representative of shipbuilding and atomic trades in the DOE complexes, as well as representing all of the Naval Shipyards in the Department of Defense. The Department does not have a Political Action Committee. Our lobbying efforts are not based on political contributions; but upon the merits of the issues we pursue.

The George W. Bush Administration used a neo-conservative ideology driven litmus test for making his agency appointments. This was based on the advice of and as is outlined in a January 10, 2001, Heritage Foundation white paper titled "Taking Charge of Federal Personnel" authored by Bill Moffitt, George Nesterchucz, and Donald Devine. A couple of illustrative examples of this political "free trade," ideology-driven government policy are: the long-term leasing by the DOD of foreign ships (most of these DOD leased foreign ships are well past their prime commercial service life of five years or older) in lieu of building U.S. ships, a clear violation of title 10, Buy American Act provisions; and the U.S. Coast Guard Vessel Documentation Center interpretation of the clear and unambiguous language of the Jones Act to disadvantage American shipbuilding and favor foreign shipyards by certifying essentially foreign built and/or completely rebuilt (mostly



South Korean or mainland Communist Chinese) foreign shipyards, U.S. flagged Jones Act ships that are cargo preference and crewed as U.S. ships. The flagrant nature of these actions prompted the Metal Trades Department to file a U.S. District lawsuit against the U.S. Coast Guard's erroneous and plainly wrong rule making interpretations of the Jones Act at our Philadelphia Aker Shipyard. Unfortunately, as luck would have it, we drew the recent George W. Bush appointed, ultra-conservative federal Judge, Gene Pratter, as the district court judge to hear our case. A copy of her decision that basically says the USCG can interpret the Jones Act anyway they see fit, regardless of Congressional intent, is attached to this letter.

These politically-driven USCG and DOD federal "free trade" policies undermines U.S. national security, sends billions of U.S. tax dollars to foreign nationally-subsidized industries, increases our foreign debt, and cost tens of thousands of U.S. shipbuilding jobs in violation of the clear language of two federal laws.

Therefore, the Metal Trades Department urges that your administration appoint a new Coast Guard Commandant and a new director of the U.S. Coast Guard Vessel Documentation Center, who will interpret and enforce the clear and plain language of the Jones Act as Congress expressly intended that Jones Act ships be built in the USA and assembled entirely in the USA means just exactly that; not built pre-fabricated and pre-assembled in South Korea or China and shipped to the USA ready for dropping into a hollow hull for final assembly, as is now the case for the double-hulled product tankers at Aker Philadelphia Shipyard and General Dynamics National Steel Shipyard, San Diego, CA. As it currently stands under USCG interpretations, the Jones Act provide little to **NO** benefits, whatsoever for American shipbuilding workers.

We urge that you require the DOD to honor the provisions of the Buy America Act (title 10) and work to maintain and strengthen a U.S. industrial defense industry instead of waiver after waiver of title 10 BAA to buy the majority of all DOD goods and services foreign, as is the case today and that you immediate order the end of the practice of long-term leasing of foreign ships by DOD.

In addition, the Metal Trades Department urges that recent Bush Administration political appointees (18 months or less) who have been converted to career or career-conditional federal employment be removed from the federal service, or if that is not possible, re-assigned to other duties that does not make or enforce federal policy and that they be placed under close supervision.

We fully support your efforts to fund federal programs that work and eliminate those that don't. Thank you for your consideration of these recommendations. If there is anything that the Metal Trades Department can do to assist you in bringing about the change America needs and deserves, please let me know what we can do to help.

Sincerely,

Ron Ault
President,



Metal Trades Department, AFL-CIO