



INTERNATIONAL LONGSHOREMEN'S ASSOCIATION
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The International Longshoremen's Association (ILA) would like to publicly go on record in support of the Diamond State Port Corporation (DSPC) permit application to develop a new Container cargo port at the Edgemoor site. Development of the Edgemoor site is an essential component of the "Port Expansion" initiative.

The Port Expansion initiative was spearheaded and developed by the ILA to save the shipping industry in Delaware and to save current jobs and create future jobs in shipping for Wilmingtonians and Delawareans. With the expansion of the Panama Canal and the Suez Canal, hundreds of ships that previously docked on the west coast will be coming to the east coast. The shipping lines are ordering much larger vessels that cannot dock in the Christiana river, which is only 35 feet deep. Also, most cargo is being shipped or will be shipped in containers and these larger container ships will need at least 45 feet in depth. This means the DSPC has to expand its shipping operations onto the Delaware river which is 45 feet in order to (1) attract some of these customers, (2) keep the customers it has, (3) survive. The DSPC must expand or die.

The Chilean fruit carriers informed the DSPC in 2015 that in the near future most of their fruit would be containerized. Most of their fruit at the time was shipped on loose pallets. They were concerned that the DSPC could not accommodate their needs once they transition to containers. Their concern was justified because the DSPC did not have the money to make the adjustments. The Chileans, Dole and Chiquita were being courted by another port on the river to leave Wilmington and relocate. They stated that they were totally satisfied with Wilmington's work ethics, safely records, damage cargo record and productivity but they had to make a business decision to move to another facility if the DSPC could not make the necessary accommodations. To deny the DSPC the permit to build the Edgemoor project, would in time mean the death of the current port and the shipping industry in Delaware. This would result in, (1) the loss of over 5,900 direct, indirect and induced jobs, (2) 409 million dollars in personal income for the State and the region,

(3) 436 million dollars in business revenue and 41 million dollars in annual State and Regional taxes. These numbers would almost double when the Edgemoor site is added, (1) 2,965 direct and indirect jobs, (2) annual business revenue for the State of 383 million dollars, (3) 22.2 million dollars in state and local taxes. The shipping industry in Delaware is a “Major Asset and Economic Engine for the State of Delaware.”

It accounts for hundreds of jobs for the African-American community in Wilmington and New Castle County. The Port of Wilmington has been the answer to middleclass employment to black men, woman and people of color who have been locked out of the traditional middleclass job pools. Blacks represent the highest unemployment group in the State.

In Wilmington alone “the Delaware Workforce Development Board” estimates there to be between 6,000 and 8,000 youth aged 18 to 25 that wake up every morning, who are not enrolled in school and are not employed. The Wilmington Education Advisory Committee’s report on education, found that 30 percent of high school students in Wilmington do not graduate. That means that out of a thousand high school students in Wilmington, 300 do not graduate each year. One can now see where the 6,000 to 8,000 number comes from. The committee’s study also concluded that Poverty (being poor) is the major factor in student performance.

A good paying job allows people to work their way out of poverty. A good paying job creates home ownership, parents with children in College, and law-abiding tax payers. Good paying jobs are the best crime prevention program. Good paying jobs will help to cut back on the number of young black men killing each other. Poverty and being poor makes good and decent people make bad decisions.

Confronting the environment created by poverty, that is; being poor, being jobless, being homeless, being broke, being killed, is just as important as any other environmental issue. Unlike the fish in the Delaware River, poor human beings do not have over 100 miles of river to freely swim to relocate to more suitable conditions. In most cases, poor people are stuck in their environments. They are stuck in their environments being hopeless until a project like Port Expansion and the Edgemoor Project comes along creating hope thru good paying job opportunities.

The Port Expansion/Edgemoor Project with the projected creation of more than 9,000 jobs in total represent an alternative for these youth to “the Corner” and to becoming subjects of the criminal justice system. The Port Expansion/Edgemoor Project will help fill the void created by the thousands of jobs lost with the closure of Chrysler, General Motors, Dupont, Avon, AstraZeneca and other good paying Blue-Collar manufacturing plants. The Port Expansion will drastically offset unemployment in Wilmington and Northern New Castle County. In addition to dock work, direct jobs will be created for the Building Trades and trucking industry. The Port Expansion/Edgemoor Project will be leading the effort to rebuilding the middleclass in Delaware.

The Edgemoor Port Project will have the capacity to handle 1.2 million TEU containers. This will enable us to benefit from a respectable share of the increasing growth and value of global market for shipping containers.

I will conclude with a quote from a world-renowned shipping consultant,

“The sizable growth over the past five years in the number of jobs that American deep-draft ports support, the wages those jobs pay, and the tax revenues that are collected from the cargo activities at these ports is really quite impressive. It’s a testament to overall economic importance of our nation’s seaports,” said Dr. Martin. “The growth in jobs and economic value of America’s ports reflects their handling an additional 165 million tons of international cargo since 2014. It also underscores the importance of both the public and private sectors continuing to invest in port and intermodal infrastructure to support and foster good jobs, national security, international trade and the United States” unparalleled standard of living.”

Projected size of the global market for shipping containers 2016-2025 (published by Melania Scerri, Feb. 17, 2020)

In 2016, the global shipping containers market was worth about 4.6 billion U.S. dollars, and its size expected to reach 11 billion U.S. dollars by 2025. Between 2017 and 2025, the market size of this sector was forecasted to grow at a compound growth rate of 8.3 percent.

Economic Impact – Current Port of Wilmington

A Major Asset & Economic Engine of the State of Delaware, GT USA Wilmington:

Annually produces 436 million in business revenue; and, \$409 million in personal income for the State and the region.

Responsible for 5,900 direct, indirect and induced jobs; and, Generates \$41 million in annual State and Regional taxes.

PORT EXPANSION AT EDGEMOOR PROJECTED

Value-added to Delaware Economy - \$383 Million per year

Value-added to Regional Economy - \$421 Million per year

Total Direct and Indirect Jobs – 2,965

State and Local Tax Revenue - \$22.2 Million per year

Sincerely,

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