

INTRODUCTION

This year's *Report to Congress on the Status of the Public Ports of the United States*, covering calendar years 1996 and 1997, discusses the U.S. public port industry's economic activities and the critical issues facing it. The U.S. port system is a vital element in our national transportation system and an important contributor to our national economy and security. U.S. ports handle over 95 percent of the Nation's overseas foreign trade and over two billion tons of foreign and domestic waterborne commerce. The trade that flows through the port system provides significant economic benefits to the U.S. economy at all levels--local, regional, and national.

The first section of this report provides an overview of the U.S. public port industry. It addresses five fundamental areas that provide a picture of this industry's economic importance and current capabilities. The first area describes the industry's national economic impact based on 1996 activity. The second area details the volume and composition of the waterborne commerce handled by our port system. The third area profiles the port facilities that handle the foreign and domestic commerce. The fourth area reviews the industry's capital investments in shoreside infrastructure and the funding sources used to finance this development program. The final area of this section provides a view of the port industry's financial strength.

The second section of this report discusses the key issues facing the U.S. port industry. The most noticeable aspect of this subject is the complexity and broad range of issues. The industry's major concerns focus on financing facility development, new generation of containerships, global shipping alliances, environmental regulation, dredging and dredged material disposal, replacement of the Harbor Maintenance Fee, improving intermodal access to marine terminals, and the passage of the Transportation Equity Act for the 21st Century (TEA-21).

The final section describes several related developments of interest or concern to the port industry. This year's report includes a discussion of the Marine Transportation System initiative, military use of commercial ports and intermodal transportation, intermodal educational initiatives, and the conveyance of surplus Federal property for use by public ports.

The U.S. public port industry's future success lies with its ability to address and resolve the critical issues facing it. The accomplishment of this task will require planning and cooperation by the industry and with those segments of government and industry that regulate, use, and benefit from the port industry's activities.
