

Side Issues Sinking Ports' Progress, Profitability

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Where are the ports really headed? What are we to make of the different port trucking proposals now moving ahead at the ports of Los Angeles and Long Beach? Perhaps the better question is this: As competitors all around us continue to invest in port infrastructure, and while port improvement projects here languish in a quagmire of uncertainty, what is the future of trade at the San Pedro Bay ports?

The L.A.-Long Beach port complex, the largest in the United States, will always have a localized market serving the 25 million-plus Southern Californians. But the ports have not been able to turn the corner and approve the new port infrastructure that will truly enable the ports to “grow green.”

Beyond the ongoing threats from the Natural Resources Defense Council and the Teamsters to “challenge each new port improvement project” is the sad irony that every one of these projects is going to result in more efficient port operations that reduce pollution and congestion. Whether it is near-dock rail projects or marine terminal improvements, the new infrastructure in and around the ports is critically necessary to the continued competitiveness of the Southern California ports.

Without immediate and sustained progress in improving the infrastructure capacity around the ports, we will see a continued share of long-haul freight leave Southern California for other ports – taking investment and job growth with it. The unfortunate reality is that the ability to move long-distance freight through the San Pedro Bay ports, in large measure, will define not only our future competitiveness, but whether the ports will truly “green” their operations through new investment.

Cut competition

There is a lot at stake here for everyone concerned about cleaner and more efficient port operations. According to the ports' own recent economic impact study, implementation of a truck concession plan, such as the one considered at the Port of Los Angeles, would greatly reduce competition, raise drayage rates by 80 percent, and force small- and medium-size motor carriers out of business. With at least 1,300 licensed motor carriers and 16,000-plus independent owner-operator drivers serving the ports, these economic impacts would be devastating. This concession model works to emphasize reregulating the Southern California labor market over cleaning up our air: For instance, an independent trucker driving the cleanest truck on the road will not be allowed to serve the ports, but a dirtier truck driven by an employee driver will be.

Given the 473,000 registered trucks in the state, and the virtual equivalency in terms of age distribution of the general truck population when compared with port drayage trucks, a program that addresses all trucks statewide in a uniform manner makes a lot of sense. By capturing all trucks, high-polluting truck impacts are not simply passed on to another part of the state or concentrated in certain neighborhoods.

Looking at all of the facts and the impacts of the pending truck proposals, key stakeholders are asking themselves why the ports are resigned to a “solution” to this issue that stalls current pollution reduction efforts, diverts port investments, threatens local jobs and seeks to cap local trade. Regrettably, the Port of Los Angeles proposal sends the signal that the politics of coercion, intimidation and litigation – do it our way or not at all – trumps common sense.

Top priority

The best way to get back on track with real environmental improvements and economic growth is to commit to clean up port trucking and address environmental issues apart from other, unrelated concerns. Should the ports choose to make clean air investments their top priority, they should actively participate in the statewide California Air Resources Board rule-making that is already under way. The state has the statutory authority to act, and is properly focused on developing an enforceable statewide approach to improving air quality.

Our immediate concerns with the port plans go to a fundamental point: We can improve port communities, and clean up our trucks, faster, cheaper and better by working together on real solutions. If a workable trucking plan is developed, we can begin to clean the air and develop infrastructure projects that actually deliver real green results at the ports – not simply more political posturing.

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