

United States Senate
WASHINGTON, DC 20510

March 15, 2022

The Honorable Joseph Biden
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20050

Dear President Biden,

We write to express our concern that the upcoming contract negotiations at America's West Coast ports may result in additional disruptions to our nation's supply chain, which would exacerbate freight congestion, and harm manufacturing and agriculture in our states. Thus, we strongly urge you to use the tools available, and to work with both the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA), to ensure the upcoming contract negotiations are completed successfully before the contract expires on July 1.

We have heard from a number of stakeholders with concerns that a breakdown in negotiations between the ILWU and PMA will lead to even more disruptions and shipping delays at a time in which our nation's ports are reporting record backlogs. The West Coast ports account for over 44 percent of our nation's port traffic.¹ The Port of Los Angeles alone has a backlog of over 70 ships waiting to unload.² Unfortunately, these ports are already ill-equipped to deal with the current backlog, let alone even more backlog caused by failed negotiations. According to the 2020 World Bank's Global Container Port Productivity Index, West Coast ports often rank near the bottom of the index and are inefficient when compared to other ports.³

Historically, negotiations between the ILWU and PMA have created gridlock, even during times of economic prosperity. These negotiations encompass 22,400 dockworkers, 70 employers, and 29 ports.⁴ In 2002, there was a breakdown in negotiations that resulted in a lockout of 10 days and an estimated cost of \$1 billion a day.⁵ In 2014, negotiations lasted 10

¹ Stephen Garner, "Amid Supply Chain Crunch, 49 Industry Associations Urge White House to Start Contract Negotiations with West Coast Ports", Yahoo News, March 1, 2022, <https://www.yahoo.com/entertainment/amid-supply-chain-crunch-49-194210701.html>.

² Shawn Baldwin, "What's Behind the Congestion at U.S. Ports", CNBC, February 18, 2022, <https://www.cnbc.com/2022/02/18/whats-behind-the-congestion-at-us-ports.html>.

³ "The Container Port Performance Index 2020", World Bank Group, <https://maritimes.gr/images/PORTS/Container-Port-Performance-Index-WB-2021.pdf? t=1620669079>. (Last accessed March 1, 2022)

⁴ Paul Berger, "Labor Talks to Start in 2022 at Congested West Coast Ports", Wall Street Journal, November 28, 2021. Link?

⁵ Andrew Soergel, "Anchored Ships Weighing on U.S. Economy", U.S. News & World Report, February 20, 2015, <https://www.usnews.com/news/articles/2015/02/20/west-coasts-anchored-ships-weighing-on-domestic-economy>.

The Honorable Joseph Biden

March 15, 2022

Page 2

months leading to billions in increased costs for American businesses.⁶ Given the unprecedented economic challenges that our nation faces with respect to the supply chain and rising inflation, it is essential that these negotiations proceed smoothly. While this Administration has previously exhibited one-sided behavior favoring unions during labor negotiations, it is essential that the Administration works with both the ILWU and PMA to ensure a timely agreement is made in order to avoid additional disruptions to the nation's supply chain.⁷

We urge you to begin working with the ILWU and PMA to ensure their crucial work continues without interruption. Any delays caused by failed negotiations will have a drastic cost and impact on our nation's supply chain. This cost will be felt by not only retailers and others that rely on ports for their business, but also by millions of American workers, farmers, and ranchers, who may face short-term shutdowns at their factories or barriers to shipping their products to market.

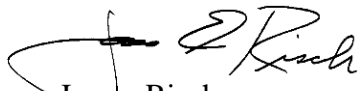
Sincerely,



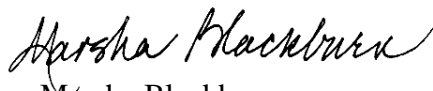
Mike Braun
U.S. Senator



Richard Burr
U.S. Senator



James Risch
U.S. Senator



Marsha Blackburn
U.S. Senator



Mike Crapo
U.S. Senator



Steve Daines
U.S. Senator



Mitt Romney
U.S. Senator



Kevin Cramer
U.S. Senator

⁶ Eric Kulisch, "Bargaining over West Coast Ports Labor Pact Puts Retailers on Edge", Freight Waves, February 25, 2022, <https://www.freightwaves.com/news/bargaining-over-west-coast-ports-labor-pact-puts-retailers-on-edge>.

⁷ "Braun, Burr, Foxx, and Allen Demand Answers from Labor Secretary on Strike Activity", November 3, 2021, <https://www.braun.senate.gov/braun-burr-foxx-and-allen-demand-answers-labor-secretary-strike-activity>.

The Honorable Joseph Biden

March 15, 2022

Page 3



M. Michael Rounds

U.S. Senator



Roger F. Wicker

U.S. Senator



Cynthia M. Lummis

U.S. Senator



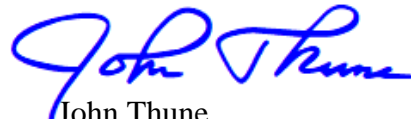
Thom Tillis

U.S. Senator



John Boozman

U.S. Senator



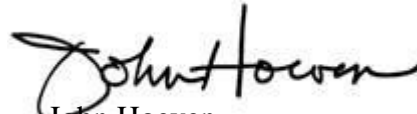
John Thune

U.S. Senator



Todd Young

U.S. Senator



John Hoeven

U.S. Senator



Roger Marshall, M.D.

U.S. Senator



Ted Cruz

U.S. Senator



Bill Cassidy, M.D.

U.S. Senator