

# USDA to subsidize farm exports at Seattle port

By **DON JENKINS**  
Capital Press

The USDA will subsidize the export of farm goods from the Port of Seattle, providing relief to agricultural exporters who have seen costs increase because of trucking and shipping delays.

Agricultural exporters who stage containers at a 49-acre site near Terminal 46 will be eligible for reimbursements of \$200 per dry container and \$400 per refrigerated container, the USDA announced.

The money will help pay for storing and moving the containers. Farm Service Agency will publish details in the coming weeks on how exporters can apply for payments, according to the USDA.

Agricultural exporters report being frustrated as shippers leave U.S. West Coast ports quickly to go back and get more Asian-made consumer goods. U.S. farm goods, meanwhile, are left behind, while overseas customers wait.

Anderson Hay and Grain Co. CEO and President Mark Anderson said the subsidy and near-



Sen. Maria Cantwell, D-Wash., speaks March 18 during a tour of the Port of Seattle with USDA Under Secretary Jenny Moffitt, left of Cantwell. The USDA will subsidize the export of farm goods through the port.

terminal staging should help. He said his port-related costs have risen by 75% to 100% as disruptions mount.

Delays in exporting goods threaten the U.S. agricultural's reputation for reliability, he said. Positioning loaded containers near the terminal should help exporters meet ever-changing ship schedules, he said.

"I think we'll have to see how it

will play out," Anderson said. "It's great the USDA is seeing the need to step up.

"The global ocean movement of cargo is like a Swiss watch. Right now, it's out of balance," he said.

The Northwest Seaport Alliance, made up of the Seattle and Tacoma ports, opened the off-dock site last May for all types of goods waiting to be export.

The Alliance hopes to extend the USDA subsidies to farm goods exported from the Port of Tacoma, ports spokeswoman Melanie Stambaugh said. "We certainly have the ability to expand it to Tacoma," she said.

Sen. Maria Cantwell, D-Wash., and USDA Under Secretary Jenny Moffitt toured the Seattle site Friday.

The 49-acre site — four stoplights from Interstate 90 — will position containers to catch ships at short notice, Cantwell said.

"Our growers came to us with a problem," she said. "A container would be scheduled to go out on Tuesday, and they'd get a call on Friday night, saying it's going on Sunday instead.

"When they have to move that product all the way across the state, there just isn't enough time," she said.

Idaho pea, lentil and garbanzo bean processor Bert Brocke joined Cantwell at the press conference. "This is exactly what we need," he said.

In an interview, Brocke said he

once exported about 40 containers a week through the Seattle port. He said he's now down to about five, "on a good week."

He said he's had to send products by rail to Houston to get them to customers in Europe and South America because he can no longer export to those continents through Seattle.

"It's working, but it's extremely expensive," he said.

The USDA announced a similar partnership with the Port of Oakland in January. The National Milk Producers Federation and U.S. Dairy Export Council issued a statement March 18 praising the opening of the additional site in Seattle.

U.S. Department of Transportation supply-chain report last month said the world probably has enough shipping containers, but too many are going unused.

Rates for shipping loaded containers from Asia to the U.S. West Coast were 19 times higher in the fall of 2021 than in the fall of 2019, pre-pandemic, according to the report.

## Senate panel passes shipping bill to aid farm exports

By **DON JENKINS**  
Capital Press

The Senate Commerce Committee on Tuesday passed legislation to give the Federal Maritime Commission more muscle to lean on foreign shipping companies to export U.S. farm goods.

The bipartisan Ocean Shipping Reform Act directs the commission to bar shippers from "unreasonably declining" to haul agricultural products. The commission would have to write a rule defining "unreasonable."

"This is the top ask by American exporters whose products have been left on the docks," said committee Chairwoman Maria Cantwell, D-Wash.

Democratic and Republican senators from farm states complain ocean carriers are stranding agricultural goods at West Coast ports in their rush to go back and pick up more goods for the lucrative "front haul" from Asia to the U.S.

The House passed a similar bill in December to give the maritime commission more authority to demand shipping companies justify their hauling practices. The shipping industry says the bills are flawed and shift blame for land-side logistical snarls onto ocean carriers.

Washington State Potato Commission director of government relations Matt Harris said the commission supports the bills.

Growers have flown or trucked potatoes to customers and far-flung ports as exporting from the West Coast becomes more difficult, he said. "We're seeing products stymied by the inability to move to Asia through the ports," he said.

The World Shipping Council, which represents international carriers, warns the reforms contemplated by federal lawmakers will make supply-chain problems worse.

The shipping council says COVID disrupted port



Containers stacked at the Port of Seattle. The U.S. Senate Commerce Committee passed a bill March 22 to give the Federal Maritime Commission more authority to require international ocean carriers to justify their hauling practices of U.S. farm goods.

operations while also driving a stay-at-home shopping surge by U.S. consumers. As a result, import cargo containers crowded ports, according to the council.

The shipping companies complain they're being asked to do the impossible: Quickly take away empty containers while also taking away loaded containers.

Harris said growers are squeezed because the ships "grab and go," shortening the time farmers have to get potatoes into congested ports and positioned for export. Ships won't wait, he said.

"We're just the 'back haul,'" Harris said. "We're not causing the container to move."

The shipping council says ocean carriers are committed to serving U.S. agriculture. The council notes that U.S. farm exports have risen to record levels since COVID hit. The USDA

predicts that 2022 will be another record year.

That is based on dollars. The volume of major commodity exports declined in 2021 and is expected to decline again this year, according to the USDA. "Prices have gone up, volumes have shrunk," Harris said.

Cantwell's committee held a hearing March 3 on the shipping reform act. Federal Maritime Commission Chairman Daniel Maffei agreed the commission needs more authority, but warned against too much regulation.

Making ocean carriers meet export quotas may cause them to avoid export ports, he said.

Nine shipping companies — which have grouped themselves into three alliances — dominate ocean-going trade between Asia and the U.S. Cantwell accused them of taking advantage of their market domination.

## Canadian Pacific Railway, Union agree to arbitration, resuming freight shipments

By **SIERRA DAWN McCLAIN**  
Capital Press

Canadian Pacific Railway Ltd. and the union representing its conductors and engineers have agreed to binding arbitration to resolve their labor dispute, freeing the railway to resume freight shipments after a two-day work stoppage.

Freight service was set to resume at noon Mountain time on March 22

The work stoppage had threatened to disrupt a major agricultural supply chain, halting the movement of grain, coal, potash for fertilizer and other farm inputs. If the shutdown had lasted long, farm groups say it could have been "catastrophic" for farmers and

the flow of goods.

Tuesday's agreement follows six months of mediation and contract negotiations between Canadian Pacific Railway and the Teamsters Canada Rail Conference, a union which represents more than 3,000 of the company's railway workers.

The union has been seeking increased wages, pension benefits and more rest times for workers.

The past few days, workers have been on strike and the railway company has locked workers out of its facilities. Now, the two sides are seeking resolution.

"(Canadian Pacific) is pleased to have reached agreement with the (Teamsters Canada Rail Confer-

ence) Negotiating Committee to enter into binding arbitration and end this work stoppage," said Keith Creel, president and CEO of the railway company.

Details of the agreement were not disclosed. Often, binding arbitration involves union representatives and an employer presenting their contract demands to an independent arbitrator who is responsible for finding a common ground and settling terms such as wages and benefits.

The past few days, businesses, farm groups, politicians and the public have been urging the two sides to reach a deal so as not to further disrupt the world's already-shaky supply chains.



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