Mr. Robert McEllrath  
President  
International Longshore and Warehouse Union  
1188 Franklin Street, Fourth Floor  
San Francisco, CA 94109

Mr. James C. McKenna  
President and CEO  
Pacific Maritime Association  
555 Market Street, Third Floor  
San Francisco, CA 94105

Dear Mr. McEllrath and Mr. McKenna:

We write today to urge you both to swiftly resolve the outstanding issues that remain in your contract negotiation which has been underway since the expiration of your previous agreement in July. Time is absolutely of the essence because significant economic damage has already been done to those people and businesses that rely on the efficient functioning of our ports. The economic impact of the increased congestion at the ports is simply unacceptable and unsustainable.

At the time of this writing, seventeen ships are anchored at bay awaiting the opportunity to come into port at the Port of Oakland. Twenty-two ships are anchored at bay awaiting the chance to dock at the Los Angeles - Long Beach Port Complex. As we understand it, in normal times these ships rarely have to wait to dock. Ships have been diverted from California ports in search of more efficient offloading sites. Long term damage to the competitiveness of California ports may have already occurred. These are terrible circumstances.

The continued congestion, delays, terminal closures, night shift reductions, and slowdowns at the ports have led to extremely late deliveries and billions of dollars in disrupted sales of critically needed goods, including agriculture and textile products in important export markets. This is an especially grave concern as it could potentially undermine long term demand for American products. For example, we have learned that the citrus industry is entering its peak exporting season in February and March but has been experiencing customer delivery delays of three to four weeks. Further, we have learned that a large shipment of California rice destined for Asia is likely to be cancelled, costing farmers in our state tens of millions of dollars in income. The slowdown at the ports has also disrupted the supply chains of California-based retailers, and has forced them to rely more on expensive air freight services to ensure their products reach American consumers.
Clearly the ramifications of this slowdown are hurting the California economy and our households, small businesses and communities. This is unacceptable.

We strongly urge you to focus on the remaining issues at hand and to reject any further pressure tactics which contribute to the slowdown. Last month, we were heartened to see both of your organizations pursue voluntary Federal mediation assistance and are hopeful that you can leverage the expertise of the Federal Mediation and Conciliation Services (FMCS) to work through your remaining disagreements.

We urge you both to recognize that the current impasse has serious and troubling ramifications for our state and for our nation. The stakes are far too high for the status quo to persist. It is imperative that you achieve an agreement immediately.

Sincerely,

Dianne Feinstein  
United States Senator

Barbara Boxer  
United States Senator