

COMMONWEALTH of VIRGINIA

Office of the Governor

Glenn Youngkin Governor

September 26, 2024

President Joseph R. Biden, Jr. Vice President Kamala Harris The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Dear President Biden and Vice President Harris:

As I am sure you know, the present multi-employer collective bargaining agreement covering the containerized handling of cargo in all ports from Maine to Texas expires on September 30, 2024.

I urge you to take all actions under your authority to bring the U.S. Maritime Alliance (USMX) and the International Longshoremen's Association (ILA) to the table to reach an agreement and avert a coastwide strike. I do not have to tell you that failure to resolve this matter will have grave economic and national security consequences. Press reports indicate that no substantive meetings have happened since Juneⁱ and cite an unnamed Biden-Harris official as informing the media that you are not considering intervening to stave off a potential strike. Such inaction has jeopardized the economic security and well-being of America.

The negative impact on supply chains related to consumer goods, pharmaceuticals, manufacturing, and agriculture, cannot be overstated. A coastwide strike of the East and Gulf coast ports would affect 60 percent of U.S. container shipping traffic. Retailers note that a one-day closure would have significant lasting effects, causing delays and disruptions a week. An extended strike would be devastating as we head into the busy holiday shopping season, driving significantly higher prices for consumers. iii

Likewise, Virginia's largest industries, agriculture and forestry, would be severely impacted. In 2023, nearly half of U.S. containerized agricultural exports passed through East and Gulf coast ports. iv Twenty-five percent of U.S. agricultural exports by volume and 55 percent by value are shipped via containers.

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According to the Fiscal Year 2022 Virginia Economic Impacts of the Port of Virginia report prepared by the College of William & Mary, the Port of Virginia supports ten percent of gross state product 11 percent of the total employment, including 2,600 longshoremen employed at the Port and approximately an equal number of truck operators will also be immediately impacted.

The economic impacts of such a strike will reach far beyond the Port. In Fiscal Year 2022, the Port exported over \$7 billion of Virginia made goods. The Port also handled an estimated \$66 billion in imports, with nearly 60 percent going to destinations outside of Virginia.

In Virginia, employers and local ILA management have a productive relationship. The Hampton Roads Shipping Association (HRSA) and the local ILA finished their negotiation in June. However, as you know, the national "master contract" must be agreed and ratified before the ILA local members in the Commonwealth can act.

I believe we can all acknowledge that the only path forward is for the parties to come back to the table and negotiate a deal. You have a responsibility to the Commonwealth of Virginia and the entire country to do everything in your capacities as President and Vice President to make that happen.

Sincerely,

Glenn Youngk

¹ Krisher, Tom. "Ports seek order to force dockworkers to bargaining table as strike looms at East and Gulf ports." Associated Press, September 26, 2024.

Baertlein, Lisa. Shepardson, David. "Biden won't block potential strike at East Coast ports, administration official says." Reuters. September 17, 2024.

Jensen, McKenna. "How long will the port strike last?" Deseret News. September 24, 2024.

^{iv} Barakat, Manal. "Exporters, retailers "worried" as US port strike draws near." Kuehne+Nagel. September 25, 2024.