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## **Kantor is expected to call for "green" expansion amid increasing competition.**

By Art Marroquin, Staff Writer – 11/15/2007

The ports of Los Angeles and Long Beach must cut through bureaucratic red tape and quickly find ways to "grow green" to keep up with anticipated increases in cargo shipments over the next several decades, former U.S. Secretary of Commerce Mickey Kantor is expected to say today.

Kantor, along with a pair of economists, will discuss the financial significance of expanding the twin port complex in an environmentally sensitive manner during a panel discussion scheduled for 11:30 a.m. today at the Holiday Inn Torrance Gateway in Harbor Gateway.

"As demand has grown at the port, capacity has remained stagnant and we are facing a potential crisis," said Kantor, who was secretary of commerce during the Clinton administration from 1996-97.

"Even though trade is declining and the value of the dollar is dropping, now is the time to grow," Kantor said. "If we don't grow, we will see significant delays with cargo being held at the ports, while trucks and trains will be unable to get their products to the market."

Kantor said that if such backups become too frequent, shippers will look elsewhere to do business and Southern California will begin to lose jobs.

About 15.8 million cargo units passed through the ports of Los Angeles and Long Beach last year, accounting for more than 40 percent of the nation's imports. That number is expected to double by 2020 and nearly triple by 2030, said local economist John Husing, one of the panelists scheduled to speak today.

Additionally, some 500,000 people in Southern California are employed directly and indirectly by port-related businesses, he said.

"If we only get a third of the anticipated growth and expansion, the region will lose out on more than 600,000 jobs," Husing said. "But you also need to solve the environmental problems at the port, or else the ports will not be able to increase infrastructure and jobs."

Several shipping companies operating at the Port of Los Angeles are studying expansion options. A public meeting is scheduled for later this month to discuss an environmental impact study on TraPac's proposed expansion plan.

"We don't believe that doing nothing and refusing to grow is an option," said Elizabeth Waring, executive director of Future Ports, the environmental advocacy group that is hosting today's panel discussion.

"We're trying to figure out how to do it green, but the longer we wait, the more costs will go up."

Many businesses, however, remain opposed to plans to clear the air around the ports, including the controversial Clean Trucks Program, which will require some 16,000 diesel rigs operating at the ports to comply with 2007 federal emissions standards by 2012.

Waring suggested that environmental improvements to the trucks and port infrastructure should be phased-in as one way to be cost effective to business owners.

"There's a lot of emphasis on cleaning the air, but not enough emphasis on preserving jobs and the economy," she said.

Another challenge faced by the local ports is the fact that Asian companies are increasingly doing business with ports in Mexico. As a result, Mexican officials, Mayor Antonio Villaraigosa and Harbor Commission President S. David Freeman signed a memorandum earlier this year calling for increased cooperation and communication.

If the twin ports fail to build more infrastructure, Asian cargo will likely be diverted to Mexican ports, according to Paul Bingham, an economist who tracks port economies for Global Insight Inc. in Waltham, Mass.

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