

Another setback for local shipping traffic

Labor dispute in Portland expected to be resolved within 18 months

- By ELAINE WILLIAMS of the Tribune
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A dispute between labor and the private third-party operator of the Port of Portland's container terminal needs to be resolved in federal court before the service is restored in Oregon.

Resolution of the litigation will establish what the ground rules are for the two sides, said Sebastian Degens, general manager of the port's marine and terminal business development.

Between the court case and other challenges in the container industry, the earliest container vessels will be back in Portland is in 12 to 18 months.

"We're going to have to earn it back. We're going to have to provide dependable service that customers can rely on," said Degens, who visited the Lewiston-Clarkston Valley this week to see those who have ties to his employer.

ICTSI, the company contracted with the Port of Portland to handle its container operations, and the International Longshore and Warehouse Union declined to comment for this story. Their conflict has been blamed for the withdrawal of container carriers who used to make regular calls at the Port of Portland in the first half of 2015.

Since that withdrawal, processors of dried peas and lentils have diverted their products from barges that traveled from Lewiston to Portland to more expensive forms of transportation in order to move the legumes to the Puget Sound and onto ocean-going ships. Some shipments travel by truck. Others are barged from Lewiston to Boardman, Ore., and then make the final leg of the journey by train.

The Port of Portland is routinely in contact with 34 trans-Pacific carriers, and focuses on ones that previously sent vessels to Portland on ships with a capacity of 5,000 to 7,000 containers. Some larger boats can't navigate the 100-mile voyage along the Columbia River between Portland and the Pacific Ocean.

Those efforts have been hampered by the bankruptcy of Hanjin, which was the largest container carrier serving the Port of Portland until last year.

Degens said Hanjin saw its share of the 250,000 containers imported and exported annually from Oregon, Idaho and southwest Washington, drop by half when it left the market.

That volume, Degens said, demonstrates that the Port of Portland is a viable opportunity for shippers.

"The demand exists, and the ability for a steamship line to be profitable exists," he said.

As bleak as the situation is for containers, Degens said other segments of the Port of Portland's marine business are thriving. In August, for instance, he said the port saw its largest one-month Lower Columbia River grain export volume in 17 years.

Some of that volume came from north central Idaho and southeastern Washington, he said.

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