

# WATERWAYS

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As leaders in both houses push for it

## WRDA showing new signs of life

Yogi Berra would probably say it is, "Déjà vu all over again," but there is talk in both houses of the U.S. Congress about a revival and quick passage of the Water Resources and Development Act (WRDA).

For example, a press release from the office of Senator Dick Durbin (D-IL), talks about a March 7, meeting the Senator held with the Illinois Farm Bureau.

### WRDA update

The release says that among the topics covered at the meeting was an update on WRDA. Sen. Durbin noted that at a recent field hearing, California Senator Barbara Boxer, who heads the Senate Environment and Public Works Committee, announced that she will push for early passage of WRDA.

"Passing WRDA will mean 50,000 new jobs for the region, shorter shipping times, and improved business for Midwest producers along the river," Durbin said. "The Mississippi River transports \$12 billion worth of products every year, affecting agriculture, commercial and labor interests across the state."

In the House, Minnesota Congressman James Oberstar heads the parallel House Transportation and Infrastructure Committee. During a recent press briefing, Oberstar said his committee will mark up WRDA in two weeks, or about mid March. He noted that the country has been without a

water resources bill since 2000.

WRDA and other water related issues in Minnesota were among the topics Oberstar covered when he met with state lawmakers in St. Paul in February. He mentioned the urgency of upgrading the locks and dams on the Mississippi/Illinois River system as well as Lake Superior's dropping water levels as topics of concern at both the state and local level.

UMWA Executive Director Russ Eichman attended the Oberstar briefing and reported it to be a wide ranging session. In addition to water projects, the congressman covered other pressing transportation issues.

### Issue summary

Here's a summary of what was said:

Nationally, said Oberstar, all modes are under pressure that can be laid at the feet of the current Administration.

- After 9/11, \$3.5 billion of federal airline funds were diverted away from runway expansion to security resources, with no promised compensation.

- National freight traffic will double within the next decade.

- The current cost of freight delay is \$9 billion annually.

- Congestion tax costs the nation \$68 billion annually.

- One-half of waterway locks are functionally obsolete.

- Water levels in the Great Lakes are about a foot low and harbor dredging needs are urgent, resulting in bulk lakers light-loading by about 9 percent to accommo-

date shallow harbors.

- A second lock at Sault Ste Marie is urgently needed.

- Locks on the Mississippi River System are too short and must be upgraded.

- Five locks on the Mississippi and two on the Illinois rivers are included in WRDA.

- Highways are under funded by \$44 billion.

- U.S. Coast Guard needs reauthorization.

- Oberstar wants Amtrak reauthorized.

- Nationally, clean-water treatment facilities are under funded.

- Bills have been introduced to force U.S. Department of Energy to use solar power to light its building and become a national standard for solar energy. Annually, \$5.5 billion is spent on electric energy use in government buildings.

- Invasive species in the Great Lakes have been studied for 15 years. "We must get tough!"

- \$4.3 million of matching dollars in federal funding for ethanol consumption was not properly credited to Minnesota. Minnesota has since been credited for this oversight.

- Minnesota gas tax has been unchanged in 20 years while state GNP has increased 3x, vehicle count has doubled and vehicle miles have substantially increased.

- Oberstar argues for a

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## ***Executive Director's Report...***

### **UMWA 75 this year**

Incorporated in 1932 on the premise that transportation is so closely interwoven in production and distribution that it affects every article of commerce and every user of this public service, UMWA celebrates its 75<sup>th</sup> anniversary this year.

Transportation is "public service". In a March 17, 1932 radio broadcast on St. Paul's KSTP, C.C. Webber, then president of Deere and Webber Company, [forerunner of today's John Deere Company] argued that transportation performs a public service because it controls the exchange of products between sections of the country and the world; and that freight rates measure and define the trading area and market of the producer. Water transportation is needed to make U.S. farm products competitive in world markets, he said.

### **Montana to Liverpool**

Citing a 1930s case before the Interstate Commerce Commission, Webber related that durum wheat shipments from Montana to Liverpool, England pay 32 cents per bushel for a 1,400 mile rail haul, while inland water and ocean lines carry the same bushel a distance of 4,041 miles farther to its overseas destination at a cost of only 9.5 cents per bushel.

Rail revenue is more for less. Breaking the argument down further, the ICC case reflected that revenue accruing to the railroads for their 1,400 mile haul was 10 times greater than the revenue for 4,041 miles of water transportation – 10 times the revenue for 1/4<sup>th</sup> of the mileage. Webber said that without the aid of cheap water transportation, farm products of the Midwest could not move in foreign commerce.

### **COE: channel uneconomical**

Hamline University references state that although the Corps of Engineers, in 1928, said that the economic benefits of a 9-foot channel were not favorable, intense political pressure in Wash-

ington from Webber and other Upper Midwest business leaders pushed the project through the planning process until finally being authorized by Congress in 1930.

### **Hoover blocks locks**

Despite Congressional approval President Herbert Hoover opposed the project even though he signed the bill containing its authorization, blocking construction funding for the next 2 years.

Mounting pressure from Upper Midwest agricultural and business leaders, and members of Congress failed to change Hoover's position. In the end, it took the collapse of the economy in 1929 and a change in the White House in 1932 to garner sufficient national support get the project started.

### **Webber still relevant**

Webber argued that jointly, high rail rates and the opening of the Panama Canal in 1914 resulted in stagnation of the land-locked Midwest, while states having ready access to cheap water transportation [coastal and inland lakes] gained in economic activity and population, with "...25 new representatives in Congress."

In short, Webber's answer to the Midwest's loss of economic and political influence was a national effort to develop shipping lanes in the Great Lakes and garner increased support for the new 9-foot channel effort on inland rivers.

### **Challenges remain**

Today's challenges are not radically different from those of Webber's time. Transportation continues to be a public service, however apparently we longer consider it in that broad sense. And transportation still defines and limits the areas in which commodities and companies can compete.

What seems to be missing today is an understanding that

there is no 'free lunch'; that all transportation, whatever its form, adds value to an economic enterprise while at the same time consuming resources, polluting the environment and making our daily commute sometimes hellish.

Yet the rate at which they burn fuel, belch exhaust or crowd the highways differs from mode to mode. Each has its place in the transportation matrix, and each has its sins.

Today's challenge is to manage all forms of transport so as to maximize the advantages of each while minimizing the sins of all.

The generation of Webber's day was up to their challenge; let's give posterity cause to say the same.

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### ***WRDA from 1***

gasoline tax increase of 5-10 cents per gallon to be credited to a trust fund with adequate firewalls to eliminate raiding to pay for non-transportation projects.

■ Oberstar said making laws that are in the best interest of the nation has been supplanted by "What's my fate this fall?"

■ China has recently put into service, ocean vessels capable of carrying 12,000 containers that seriously challenge global transportation patterns.

■ Regional high-speed rail service is urgently needed. The "400 Route" of earlier years where rail service from Minneapolis to Chicago covered the 400-mile route in 400 minutes must be a pattern for new regional rail initiatives.

■ A 10 percent modal shift (commuters shifting from their autos to walking, biking, or public transit) could reduce our oil imports by 550 million gallons per year - equal to our annual crude imports from Saudi Arabia.

**Don't forget that past issues of Waterways are posted on the UMWA web site at <http://www.umwa.us>**