

Going big on transportation

As Oregon's largest agricultural sector, the nursery and greenhouse industry depends on an integrated transportation system so product can get to market.

Nearly 75 percent of the nursery stock we grow ends up leaving our borders, with more than half ticketed for markets east of the Mississippi River. As a trade association, we have supported efforts in pursuit of a long-term vision and investment on transportation. It's that important to our sustained economic growth.

The reality is that freight doesn't care who owns the roads — it only cares about getting through. To make the system functional, we must invest. The opposite — doing nothing — has consequences. People can't get to work. Congestion lasts all day, not just during rush hour. Fuel costs (and shipping costs) rise. Trucks become less available to the industries that need them.

In addition to the challenges noted above, the nursery industry faces several that are unique to our business. Agricultural loading docks are not clustered like those at industrial parks; rather they are located on the nurseries and farms, which are spread out. That's a disadvantage relative to other shippers.

Given these challenges and obstacles, it's essential that state and federal policy makers look at transportation systems that support job-creating industries — industries that bring dollars back to our state.

Building a transportation system

President Dwight D. Eisenhower deserves credit for putting his considerable influence and reputation behind the push for a new, nationwide interstate highway system.

He saw what we know to be true: if you move people and products, it will help the nation and the economy. He saw that a strong interstate system could also

facilitate our national defense in the event of an emergency.

Eisenhower's commitment to a robust transportation system had its roots in his army days. He remembered taking part in a convoy along the historic Abraham Lincoln Highway, which was one of America's first transcontinental highways. Dedicated in 1913, it traversed 13 states, from New York City to San Francisco.

The Federal-Aid Highway Act of 1956 authorized \$25 billion for a 10-year, 41,000-mile interstate highway project. It represented the largest public works effort to date at that time. At Eisenhower's urging, the federal government took on the lion's share of the funding (90 percent). Federal gas tax proceeds were funnelled through the Highway Trust Fund. If we were to do a similar effort to rebuild the road infrastructure today, the price tag would be north of \$3 trillion and the funding mechanism would need to be updated from the era when Bill Haley and the Comets were on tour.

Over the years, the percentage of federal support for major transportation initiatives has dwindled. States have largely had to go it on their own to improve transportation infrastructure.

In 2017, the Oregon Legislature passed a 10-year, \$5.3 billion roads and transit package that will relieve congestion while repairing, rebuilding and updating highways and bridges across the state.

The leaders who crafted the package made sure to move beyond a single funding mechanism, so that everyone pays their share. The package includes a 4-cent gas tax hike, a \$16 vehicle registration fee increase, a 0.1 percent payroll tax (paid by the employee), and a 0.5 percent tax on new car sales, all beginning in 2018.

Challenges and opportunities

The issue of getting product to market impacts every facet of our industry — large and small growers, greenhouse operators, retailers and suppliers alike.

The answer to our transportation issue is found not only through the high-



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way system but also port and rail. Oregon saw firsthand what happens to the industry when the port system is compromised.

A slowdown by workers coupled with losing a major carrier hampered shipments up and down the West Coast as well to international markets. A healthy port system is integral to many in agriculture, including the nursery industry.

More and more growers are looking at rail, and it's becoming more affordable. Challenges there include obtaining priority cars through to the end market, as well as transport from the railyards to the customer.

I want to give kudos to the State of Florida, which has provided a pathway to allow for more road capacity and the use of plant material. For every road mile improved, there must be an environmental offset, reducing the temptation to impose a tax on carbon emissions. The plants we grow can be that offset.

I feel that this is worth a broader discussion with our federal and state partners. It could be a way to get product to market and use more plants while doing so. That's a win-win.

A critical need

To growers, the need for transportation is just as important as land or water. Although the state of Oregon has taken action, this is an issue of national scope and importance.

It is critical for the nursery industry to not sit back and wait for reinvestment in our nation's transportation network. We must encourage Congress to pass solutions that work for the country, the environment and our nursery industry. ©