



Editorial:

Helena (Montana) Independent-Record, January 12, 2012

Efficient Waterways Key to Exports

A major infrastructure project near the bottom of Central America could have major repercussions for Montana mining and agriculture — but only if the U.S. keeps pace with infrastructure investment of its own.

This week our editorial board visited with a pair of officials from the Waterways Council, the Washington-based industry group that represents producers and shippers who depend on the country's inland waterways and its system of rivers, canals, locks and dams. Much of that infrastructure has been forced into use long past its expected and efficient lifespan, the group says, and it's gearing up to ask Congress for some major funding over the next two decades to replace and/or improve a number of decaying locks and dams that are causing, well, logjams in the system.

So how does Central America factor into the discussion? In coming years the Panama Canal will be greatly expanded, allowing for more and larger ship traffic. Volume through the canal is expected to nearly double by 2025. That increase will make New Orleans and other Gulf/Atlantic ports more economical for shippers to and from the Pacific Rim — whose countries happen to be some of the largest consumers of Montana grain and coal. But making it easier to get Montana's goods to the Pacific isn't worth much if it's not made easier to get those goods to the coasts in the first place. Improving shipping efficiency on the Mississippi River will make for a new path to market for Montana raw materials.

And that's where the Waterways Council comes in, with its efforts to improve the inland nautical infrastructure. One 15-barge tow can move as much material as 216 rail cars, or 1,050 semi tractor-trailers, the council says, and the industry's claim of being able to move a ton of freight 576 miles on a gallon of fuel makes it more efficient than rail or road. Those modes are absolutely necessary too, but without barge traffic, our railroads and highways would be overwhelmed with the additional demand.

The council says an annual appropriation of \$380 million from Congress, coupled with improvements in the way the Army Corps of Engineers gets projects done, will allow 20 major jobs to be completed within the next 20 years — versus the six that stand to be finished under the status quo.

Shippers are putting their money on the line as well. They already pay a tax of 20 cents per gallon of diesel into a trust fund that pays for half of each project, and they're willing to pay another 6 to 9 cents more per gallon, although that self-tax notion isn't gaining traction with the no-new-tax crowd in Washington.

Congress — i.e., the American people — typically spends billions a year on highway projects, and railroads too were heavily funded by the public. The country showed great foresight in building its system of locks and dams on many of our major rivers — but that investing was done close to a century ago, and the system needs repair. We don't know whether \$380 million a year is the right number, but we do urge Congress to do all it can to improve the efficiency of the nation's interior shipping channels. The ability to grow our country's exports depends upon it