

GOVERNOR JOSH SHAPIRO

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Governor Shapiro at the Port of Philadelphia: New Tariffs Causing Chaos, Uncertainty, and Higher Prices for Pennsylvania Consumers and Businesses

Governor Shapiro visited the Port of Philadelphia — the largest port in the U.S. for imported fruit and a major gateway for goods entering the country, supporting 12,000 jobs locally and 66,000 maritime jobs statewide — to highlight his Administration's commitment to growing Pennsylvania's economy, cutting taxes, and reducing costs for businesses and consumers alike.

New federal tariffs are injecting chaos and uncertainty into the marketplace, raising prices for consumers and businesses, and disrupting critical trade.

Over the last week, Governor Shapiro met with Pennsylvania <u>farmers, small business</u> <u>owners, manufacturers, and workers</u> to hear firsthand about the challenges they face and discuss how his Administration is working to lower costs and create economic opportunity for Pennsylvanians amid these wrongheaded federal policies.



Philadelphia, **PA –** Today, **Governor Josh Shapiro** visited the **Port of Philadelphia** (**PhilaPort**) to hear directly from port leaders, businesses, and workers about how new federal tariffs are injecting chaos and uncertainty into their work and raising costs for consumers across the Commonwealth. The Governor's visit comes as new federal tariffs — the highest in 100 years — disrupt supply chains and raise prices on everything from fruit and produce to cars, electronics, and cocoa.

PhilaPort is the largest port in the U.S. for imported fruit and a major gateway for goods entering the country, supporting 12,000 jobs locally and 66,000 maritime jobs statewide. Last year, the Port accounted for \$3.2 billion in fruit imports — more than any other American port and 20 percent of all U.S. food imports — and is a global leader in the import of food products, cars, meat, cocoa, and steel. Pennsylvania is also home to two other ports — Pittsburgh and Erie — that support international trade.

"Tariffs are taxes — and they're going to make everything from fresh fruit to chocolate to auto parts more expensive for Pennsylvanians," said **Governor Shapiro**. "While Washington drives up prices and makes it harder for our businesses to compete, my Administration is focused on cutting costs, growing our economy, and making smart, strategic investments to show Pennsylvania is open for business. The President may have announced changes to his tariffs yesterday — but despite the chaos and confusion, the reality is this: the tariffs in place today are still much higher than they were when he took office."

Over the last week, **Governor Shapiro** has met with <u>farmers, small business owners, manufacturers, and workers</u> across the Commonwealth to hear firsthand about the challenges they face — and to highlight how his Administration is working to lower costs and create economic opportunity for Pennsylvanians. From a boutique owner in <u>Lancaster</u> to craft brewers in <u>Bethlehem</u> to hardwood producers in <u>Reedsville</u>, Pennsylvania's businesses are feeling the effects of these tariffs.

Tariffs Are Disrupting Pennsylvania's Supply Chain and Raising Costs for Consumers

PhilaPort plays a critical role in Pennsylvania's supply chain infrastructure and economy — connecting companies from Pennsylvania to markets around the world and bringing in-demand products to local stores, restaurants, factories, and families. In the last 10 years, the Commonwealth has invested more than **\$500 million** to modernize the Port's infrastructure, warehousing, and equipment, and improve regional economic stability. **Governor Shapiro** has supported major expansion efforts at the port — including the PhilaPort Strategic Plan: Destination 2040, which is expected to generate 9,000 new direct jobs, \$2.8 billion in new business revenue, and more than 12 million tons of additional cargo capacity.

Governor Shapiro was joined by Michael Pearson, Chairman of PhilaPort; Leo Holt, President of Holt Logistics; Representative Ed Neilson; and Daniel Duffy, a crane operator with 27 years of experience at PhilaPort and a member of the International Longshoremen's Association (ILA) Local 1291. For Duffy, the rising tariffs are not just abstract policies — they directly affect their jobs and their families. "Longshoremen play a vital role in making sure goods get from the port to your home unloading and loading cargo safely and efficiently, just like we've done for more than a century," said **Duffy**. "When you buy fruit at the grocery store or a new couch for your living room, a longshoreman helped make that happen. At the Port of Philadelphia, thousands of union workers keep things moving — and we should be continuing to grow and invest in this port, not threatening its future with bad policy. These tariffs are just a tax — they raise costs and could damage operations at the port. Instead of putting extremely high tariffs on essential goods, we need our leaders to support commonsense investments in domestic manufacturing — that's how we create more jobs and opportunity on the waterfront. We're proud to have Governor Shapiro standing with the port and our workers."

"Governor Shapiro, we're grateful to you — and to your predecessor — for making a big bet on this Port," said **Holt**. "That investment is already paying off, and the next big bet will bring thousands more jobs to Philadelphia. The projects we've taken on are working, and they're making good on the faith you've placed in us. It's not about me — it's about the men and women of the ILA, the Teamsters, and the generations of families who've made this place what it is. I see sons and daughters of longshoremen and Teamsters here — people whose families have worked this Port for generations, building this city and being built by it. Let us build on that success."

"In times of uncertainty and instability, working people and communities always suffer the full blunt force of the impact. Trump's economic whiplash endangers people's ability to provide food for their families and obtain the medications they need," said **Senator Nikil Saval**. "His tariffs destabilize the myriad vibrant and beloved small businesses throughout our Commonwealth that our neighbors, and our local economies, depend on. Pennsylvanians deserve family-sustaining wages, safe and healthy homes, and flourishing school communities – not to have their wellbeing casually and callously endangered."

"Here in South Philly, we have a global and diverse economy. Whether it's workers at the Port or the shops along 7th Street, our community depends on imports," said **Representative Elizabeth Fiedler**. "Our neighbors are already struggling to keep up with the costs of everyday goods: these new tariffs will cut into their paychecks and could threaten the jobs and businesses we all rely on."

"Pennsylvania is home to the major highways and ports that serve the global supply chain industry, and we take that role very seriously," said **Representative Ed Neilson**. "The Port of Philadelphia, an epicenter of international commerce for more than 300 years, supports 12,000 jobs in the Philadelphia region and 66,000 maritime jobs statewide alone. We import billions of dollars of goods that have significant impact on Pennsylvania, our nation, and the world as a whole. I have seen this great work in action. Tariffs of this magnitude will raise costs on working families and lead to untold job losses. We cannot let that happen. We must instead focus our efforts on encouraging domestic manufacturing and supporting workforce development. We can boost supply chains and help businesses grow if we stay focused."

Cutting Costs and Investing in Economic Development in Pennsylvania Governor Shapiro is delivering real results for Pennsylvania's workers, businesses, and families. The Governor is strengthening Pennsylvania's position in the global economy by supporting five key industries outlined in his 10-year Economic **Development Strategy** and making strategic investments to create economic opportunity for Pennsylvanians, positioning the Commonwealth as a leader in job creation, innovation, and economic growth.

Since taking office, the **Shapiro Administration** has secured over **\$3.7 billion** in private sector investments and created more than **5,000 jobs. Governor Shapiro** is taking action to strengthen the economy, attract new investment, and put more money back in Pennsylvanians' pockets by:

- Securing \$500 million in site development funding to attract businesses, create jobs, and drive long-term economic growth.
- **Investing \$20 million for Main Street Matters** to revitalize downtown areas, help businesses grow, and improve community infrastructure.
- Cutting business filing wait times from eight weeks to just two days, making it easier for entrepreneurs to start and expand their businesses.
- Increasing the Net Operating Loss (NOL) Deduction Limit, allowing
 businesses to reduce taxable income by up to 80 percent by 2029 keeping
 Pennsylvania competitive with other states. In this year's <u>budget proposal</u>, the
 Governor proposed accelerating Corporate Net Income Tax (CNIT) cuts by two
 years, reducing the tax rate by 0.75 percent annually and lowering it to 4.99
 percent by 2029.
- Expanding the <u>Child and Dependent Care Enhancement Tax Credit</u>, delivering \$136 million in savings to over 218,000 families, while launching the <u>Employer Child Care Contribution Tax Credit</u> to help businesses support employees' childcare costs.
- Delivering the <u>largest tax cut for seniors</u> in nearly 20 years, helping older Pennsylvanians stay in their homes.

Governor Shapiro's leadership is driving Pennsylvania's economic growth by supporting businesses and creating jobs all across the Commonwealth. These strategic investments are vital to the future prosperity of Pennsylvania's communities — rural, urban, or suburban alike — and the Governor is committed to ensuring that businesses have the support they need to thrive.

Learn more about the **Shapiro Administration's** efforts to support Pennsylvania's businesses and Main Streets in the Governor's <u>2025-26 budget proposal</u> at <u>shapirobudget.pa.gov</u> and discover how the Administration is <u>creating economic opportunity</u> to build a stronger, more competitive economy for all Pennsylvanians.