

## ILWU News

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<http://www.ihsmaritime360.com/article/16133/war-of-words-escalates-in-us-dockworkers-dispute>

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### **War of words escalates in US dockworkers dispute**

Bill Mongelluzzo, January, 13, 2015, IHS Maritime 360

Despite the involvement of a federal mediator in contract negotiations over the past week, the US West Coast dockworkers are continuing their policy of work slowdowns. This, in addition to the withholding of skilled labor, is bringing West Coast ports to the brink of "complete gridlock", the Pacific Maritime Association (PMA) said yesterday.

The International Longshore and Warehouse Union (ILWU) responded with a blistering release late Monday, saying the PMA conceded at the negotiating table that port congestion on the West Coast was caused by operational issues, such as a lack of space to handle the return of empty containers and export loads.

In engaging the back-and-forth charges, the ILWU and the PMA appear to have broken the two sides' mutual pledge, which had largely held since negotiations began last May 2014, not to discuss details of the actual negotiations. By itself, that takes the negotiations to a new low.

The ILWU also accused the PMA of putting the economy at risk through ill-advised changes in work procedures in recent weeks, and then blaming the union for the problems "in a self-serving attempt to gain the upper hand at the bargaining table".

The US Federal Mediation and Conciliation Service announced on January 5, 2015 that the ILWU-PMA contract negotiations would be held under its auspices. The negotiations began on May 12, 2014, and the ILWU has been working without a contract since July 1, 2014. The PMA charges that, beginning in late October, the ILWU initiated work slowdowns that contributed to existing congestion at the ports.

Meanwhile, congestion continues to mount at West Coast ports. It began last summer with operational issues caused by big ships producing large cargo spikes, compounded by a shortage of chassis, truck and intermodal rail capacity and carrier alliances, increasing the number of inter-terminal moves. The congestion intensified last October when the ILWU job actions began, according to PMA. Terminals that already were congested due to operational problems were pushed to the breaking point when equipment operators began to drive slowly and skilled personnel were not dispatched, employers said.

In a possibly foreboding comment, the PMA stated, "The ILWU slowdowns and the resulting operational environment are no longer sustainable. The PMA has alerted the local port authorities [of] the deteriorating situation on the docks."

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<http://www.bidnessetc.com/32536-west-port-strike-persists-despite-federal-mediation/>

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## **West Port Strike Persists Despite Federal Mediation**

By: Bob Cramer, Jan 13, 2015, Bidness ETC

Cargo at the biggest ports on the West Coast continues to move slowly due to near gridlock, in spite of federal authorities intervening and initiating mediation talks to help port workers and their employers reach a new contract. The Pacific Maritime Association (PMA) said that among the ports affected, the region's five largest ports – including the massive Long Beach and Los Angeles ports – have seen “backups approaching complete gridlock.”

Terminal operators and negotiators for shipping lines for as many as 29 ports are currently in talks with labor unions. A federal mediator is at present engaged in negotiations between the union and the PMA. However, discussions between the two groups remain strained, which is why the workers are maintaining the strike.

Over the past months, a lingering contract dispute between the port management and labor unions has tipped over from the bargaining table and onto the docks. It is now delaying the transfer of retailers' much-needed merchandise.

The organizations representing the port terminal operators and shipping lines claim that workers are deliberately slackening the process. The management has alleged that the representative International Longshore & Warehouse Union (ILWU) is responsible for stage-managing strikes to strengthen its leverage at the negotiation table in discussions that have been underway since the past several months.

On the other hand, the port workers' union claims that a lack of proper transportation facilities and equipment is what is slowing down the movement of containers from the docks to retailers' distribution warehouses. They draw attention to other operational and logistical factors, like the shortage of tractor-trailer chassis that are used to haul cargo to warehouses and distribution centers causing the congestion. They have vehemently denied staging intentional slowdowns, blaming the port management for being responsible for the bottleneck since they cut back on night shifts.

However, protracted labor negotiations were also a major problem that led to the logistical holdup. Most of the retail chains had anticipated the delays at the major national ports for consignments shipped from Asia, but did not expect such shortages during the crucial holiday season.

The union finally agreed to consider federal mediation last week, but despite the consistent discussions since then, neither side has made any progress so far.

PMA spokesperson Steve Getzug said, “The **ILWU** slowdowns and the resulting operational environment are no longer sustainable.” He added that the maritime association is committed to resolve the issues, and that it “has a sense of urgency to resolve these contract talks and get our ports moving again.”

The **ILWU** President Bob McEllrath retorted to this, saying, “Longshore workers are ready, willing and able to clear the backlog created by the industry's poor decisions.” He goes on to accuse the management of “making nonsensical moves like cutting back on shifts at a critical time, creating gridlock in a cynical attempt to turn public opinion against workers.”

The ports along the West Coast, including Long Beach and Los Angeles, are a vital economic link to Asia and other parts of the world, bringing in hundreds of billions of dollars’ worth of consignments through the ports each year. The twin ports of Los Angeles and Long Beach in particular are strategically the most important, as they account for over 40% of the US’ shipping merchandise.

Other ports have been fighting similar logistical concerns, but none are as bad as the South Californian ports. Again, given the importance of the twin ports, if the congestion and strike continues without any substantive solution, the gridlock might disrupt the ports’ market share, as manufacturers and importers could reroute their consignments to other ports.

Retail chains are being affected by the prolonged mediation talks with the unions, damaging their sales and stock-keeping. Courier and logistics service providers are also noting the impact including UPS, Inc. (NYSE:UPS), and FedEx Corporation (NYSE:FDX), who have to divert their shipments to alternative ports and often more expensive approaches to deliver their consignments.

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[http://www.handyshippingguide.com/shipping-news/federal-mediator-hears-bitter-opposition-as-freight-dispute-on-us-west-coast-continues\\_6082](http://www.handyshippingguide.com/shipping-news/federal-mediator-hears-bitter-opposition-as-freight-dispute-on-us-west-coast-continues_6082)

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### **Federal Mediator Hears Bitter Opposition as Freight Dispute on US West Coast Continues Two Sides Still Snipe as They Negotiate Respective Positions**

January 13, 2015, Handy Shipping Guide

After reading the latest press releases from the two sides involved in the West Coast port dispute one can have nothing but sympathy for the federal mediators now charged with trying to bring harmony in what has become an increasingly acrimonious row. Both the workers, represented by the **International Longshore & Warehouse Union (ILWU)**, and the employers in the form of the Pacific Maritime Association (PMA), issued statements yesterday which may as well have been in different languages, so at variance were they.

According to the **ILWU**, the PMA told the federal mediator and **union** representatives that West Coast ports have reached a point where there is little space available for additional import containers arriving on the docks, and no space for export and empty containers returning to the docks, a fact which the **ILWU** says the PMA made clear it was not blaming **union** workers for, and attributing to the chronic shortage of chassis units.

The **union** statement then goes on to say that the PMA announced a plan it considers illogical, one to eliminate night-shifts at many ports. According to the **ILWU** the PMA wishes to apply the cutbacks to bulk and break-bulk operations, which it calls ‘a cynical tactic to generate anxiety among workers’. **ILWU** President Bob McEllrath, commented:

“Longshore workers are ready, willing and able to clear the backlog created by the industry’s poor decisions. The employer is making nonsensical moves like cutting back on shifts at a critical time, creating gridlock in a cynical attempt to turn public opinion against workers. This creates an incendiary atmosphere during negotiations and does nothing to get us closer to an agreement.”

The PMA statement is similarly incendiary with the employers saying after ‘two months of **ILWU** staged slowdowns that have methodically reduced terminal productivity at the five largest ports on the West Coast, operations are approaching complete gridlock’. It accuses the **ILWU** of intentionally withholding dozens of essential skilled workers each shift for the past 10 weeks going against 15 years of precedent in a surgical campaign aimed at causing maximum disruption.

The effect of this action has meant by withholding an average of 75 yard crane drivers each day, the **ILWU** has stalled the movement of tens of thousands of containers, PMA estimates. Since November 3, the **Union** has reduced these yard crane operator positions in Southern California by 67% and, since agreeing to mediation no further agreements have been reached and **ILWU** work slowdowns have continued to the point where many terminals are in peril of complete gridlock.

The PMA further says **ILWU** members are among the highest paid **union** workers in America and continue to receive full wages and benefits while stifling productivity and putting West Coast port terminals at the brink of full shutdown. It further points out that the two sides have already reached tentative agreements on health care and increases to pay guarantees. That tentative agreement provides fully employer paid health care benefits valued at \$35,000 per worker annually. PMA also has proposed pay increases and pension enhancements with no ‘takeaways’ in the PMA proposal. PMA spokesperson Steve Getzug commented:

“The PMA has a sense of urgency to resolve these contract talks and get our ports moving again. Unfortunately, it appears the **Union’s** motivation is to continue slowdowns in an attempt to gain leverage in the bargaining. The **ILWU** slowdowns and the resulting operational environment are no longer sustainable.”

So it seems the opening salvos under mediation are taking the same bitter tone we have come to expect from these disputes, hopefully as the situation develops resolution will be achieved and there will be the usual reconciliation – until the next time. The question will remain however as to exactly how much long term business has been lost as a result of this dispute.

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