

Despite mediator, war of words escalates between ILWU, PMA

[Bill Mongelluzzo, Senior Editor](#) | Jan 12, 2015 9:06PM EST

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Despite the involvement of a federal mediator in contract negotiations over the past week, West Coast dockworkers are continuing their policy of work slowdowns and the withholding of skilled labor, bringing West Coast ports to the brink of “complete gridlock,” the Pacific Maritime Association said Monday.

The International Longshore and Warehouse Union responded with a blistering release late on Monday saying 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. The ILWU and the PMA have thus appeared to break the two sides’ mutual pledge, which had largely held since negotiations began last May, not to discuss details of the actual negotiations. That by itself 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 Federal Mediation and Conciliation Service announced on Jan. 5 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. The PMA has charged that beginning in late October, the ILWU initiated work slowdowns that contributed to already-existing congestion at the ports. With the negotiations at an impasse, the PMA on Dec. 22 requested federal mediation, and last week the ILWU did the same.

Although the federal mediator cannot dictate a solution to the contract impasse, past maritime industry experience with federal mediation has shown that in the vast majority of the cases mediators have helped the parties to reach a compromise.

But so far that has not been the case in the ILWU-PMA contract negotiations in San Francisco. In fact, it appears the situation is only getting worse.

ILWU dockworkers in Portland on Monday walked off their jobs at noon, leaving two vessels at Terminal 6 without labor. Involvement of the federal mediator in contract negotiations this past week has resulted in “no further agreements” at any of the West Coast ports, the PMA stated on

Monday. Contract negotiations on the West Coast involve both coastwide issues such as wages and benefits, and issues that are particular to the individual port regions.

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 got worse last fall when the ILWU job actions began, according to PMA. Terminals that were already 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.

The ILWU, however, said that in contract talks in recent weeks, PMA told the ILWU that employers were not blaming the union for West Coast port congestion. The PMA told the union that “the lack of space for returning empty and export containers was exacerbating the existing chassis shortage — because export-bound containers are a key source of desperately needed chassis that have become the number-one choke point ever since shipping lines stopped providing a chassis for each container arriving to West Coast ports,” the ILWU stated.

The PMA blames the ILWU’s withholding of skilled labor as a critical cause of the congestion, especially in Los Angeles-Long Beach, the largest U.S. port complex. “The ILWU’s action in Southern California goes against 15 years of precedent and targets precisely the skilled workers who are most essential to clearing congested terminals. By withholding an average of 75 yard crane drivers each day, the ILWU has stalled the movement of tens of thousands of containers, the PMA estimates. Since Nov. 3, the union has reduced these yard crane operator positions in Southern California by 67 percent,” PMA stated Monday in a release.

The ILWU responded that PMA’s recent decision to eliminate night shifts at some of the ports has emerged as a serious problem. “In addition to cutting shifts at major container ports, the PMA cutbacks would also apply to bulk and breakbulk operations, for no apparent reason other than as a cynical tactic to generate anxiety among workers,” the ILWU stated.

Both sides have been guarded about releasing the issues being discussed in negotiations, but automation is known to be an important one. As some terminals automate, they will replace manually-operated yard cranes with automated stacking cranes that have no drivers. This technology has been used in Europe for 20 years.

U.S. terminal operators until recently have hesitated to invest in automated stacking cranes as well as automated guided vehicles, which are driverless carts that move containers from the foot of the ship-to-shore cranes to the container stacks in the yard. Employers have cited labor opposition and also the high cost of implementing automation as their reasons for not adopting this type of container handling automation.

Furthermore, some employers say that a motivated and skilled labor force can achieve productivity rates comparable to the automated machines. They are therefore surprised that rather than working productively to preserve their positions, the ILWU’s skilled equipment operators have reduced their presence on the Southern California docks by 67 percent.

Pay and benefits are not holding up the contract negotiations, PMA said. The PMA annual report states that the average annual earnings for longshoremen who last year worked at least 2,000 hours, or 40 hours per week, were \$137,253 for general longshoremen and \$154,842 for marine clerks.

“To date, the ILWU and PMA have 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 has proposed pay increases and pension enhancements. There are no takeaways in the PMA proposal,” the employers’ organization stated.

Both parties have stated on more than one occasion that their goal since negotiations began on May 12 has been to achieve a fair contract without a strike or lockout. “Unfortunately, it appears the union’s motivation is to continue slowdowns in an attempt to gain leverage in the bargaining,” PMA spokesman Steve Getzfred said.

ILWU President Bob McEllrath said Monday that dockworkers are “ready, willing and able to clear the cargo backlog created by the industry’s poor decisions.”

McEllrath said employers are “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,” he said.

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