

INTERNATIONAL LONGSHOREMEN'S ASSOCIATION

5000 WEST SIDE AVENUE, SUITE 100 NORTH BERGEN, NJ 07047 • (212) 425-1200 • FAX (212) 425-2928

Harold J. Daggett *President*

October 5, 2024

TO: All Workers Covered by the USMX-ILA Master Contract

Re: Securing the 61.5% Raise: Understanding the Process

As a follow-up to the letter that I sent yesterday, I wanted to provide additional clarification about the wage increase process.

1. The Historic Agreement

The ILA successfully negotiated a historic 61.5% wage increase spread over six years. This achievement is unprecedented and serves as a testament to the union's commitment to securing fair compensation for its members. However, it is critical to understand why we cannot take that raise immediately. This decision is a crucial part of the overall strategy that will allow us to negotiate and secure other important matters in the contract.

2. No-Strike Clause and Leverage

If we were to accept the wage increase now, we would have to sign a no-strike clause. This would give the employers the leverage to block us from addressing other crucial issues that impact every member's job security and future. By extending the contract until January 15th, we keep our ability to negotiate and fight for the other important matters that go beyond economics.

3. More Than Just Economics: Protecting Jobs and Preserving Jurisdiction

While securing a substantial wage increase is an important part of the contract, we must also protect our historical work jurisdiction and prevent automation from replacing jobs. This contract extension is vital to ensure we can address:

- Jurisdiction Protections: Securing and expanding our historical work jurisdiction is at the heart of these negotiations. We are fighting to guarantee that ILA members continue to handle key tasks at port facilities, such as manning cranes and servicing equipment, preventing employers from outsourcing these jobs to non-union workers or automated systems.
- Automation Protections: The fight against automation is not just about job preservation; it is about ensuring that ILA members continue to play an essential role in port operations. By extending negotiations, we aim to

establish strong protections against the introduction of remote-controlled or fully automated machinery that threatens our work jurisdiction.

• Healthcare and Container Royalty: Protecting healthcare benefits for members and retirees, along with securing container royalty payments designed to supplement wages, is also on the line. Employers have tried to reduce these benefits or claim a share of container royalty funds, but we are standing firm to keep them fully within union control.

Employers initially resisted our wage demands and hoped to tie our hands by restricting us from negotiating on these critical issues. By holding off on finalizing the wage raise, we are ensuring our ability to secure these protections, which are just as important as the economic gains.

4. Retroactive Payment

Once the contract is ratified, every member will receive a retroactive payment dating back to October 1st. This means that you are not losing any money by waiting; the pay will be fully accounted for when the agreement is finalized.

We plan to meet with USMX as soon as possible to negotiate the best contract in ILA history.

Fraternally yours,

Harold J. Daggett

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cc: Mr. Dennis A. Daggett, Exec. Vice-Pres., ILA

Mr. Stephen Knott, Sec.-Treas., ILA

Mr. Wilbert Rowell, Gen. Vice-Pres., ILA

Mr. John D. Baker, Gen. Org., ILA

Mr. James H. Paylor, Jr., Asst. Gen. Org., ILA

Mr. Alan A. Robb, Asst. Gen. Org., ILA

Mr. Benny Holland, Jr., Exec. Vice-Pres. Emeritus, ILA

Mr. Michael Vigneron, Pres., ACD, ILA

Mr. James Stolpinski, Sec.-Treas., ACD, ILA

Mr. John Daggett, Gen. Vice-Pres., ACD, ILA

Mr. Bill Williams, Sec.-Treas., SA&GCD, ILA

Mr. Willie Seymore, Exec. Vice-Pres., SA&GCD, ILA

Mazzola Mardon, P.C.