

Ready for war

ILA flexes to fight
on multiple fronts

By [Michael Angell](#)

HOLLYWOOD, FLORIDA — Harold J. Daggett, head of the International Longshore's Association (ILA) and a former US Navy medic that served in the Vietnam War, in late July delivered a resoundingly clear message to some 1,600 fellow union members: prepare for battle.



The martial theme was difficult to miss at the ILA's convention in Hollywood, Fla. When introducing his father, ILA Executive Vice President Dennis Daggett referred to Harold as "the steady and powerful general" of the union's 60,000 "front-line heroes ... who saved our nation's economy and the world's economy" during the COVID-19 pandemic.

Under Harold Daggett, the ILA, which handles cargo as far west as Houston and along the Gulf Coast and up the East Coast to Maine, is ready to fight on a number of fronts. Arguably most pressing are the upcoming negotiations to replace the six-year master contract that expires in September 2024.

Talks with the ILA's terminal operator and ocean carrier employers, represented by the United States Maritime Alliance (USMX), are still in the early phase because both the master and myriad local contracts don't expire until 2024, but the union is nonetheless taking a more cautious approach this time around. By setting local contracts ahead of negotiating a new six-year master deal, the ILA is looking to head off the type of local disputes that bogged down West Coast longshore contract negotiations, dragging them out for more than 13 months.

In an atypical move, the ILA last September asked its local chapters to start talks on port-specific work issues such as local benefits and work rules before picking delegates to the wage-scale committee that would oversee master contract talks. The ILA directed its locals to wrap up bargaining by the end of February 2023.

Previous contract talks have started with the master contract, which covers wages and union-wide benefits, then settled local issues. During the convention, Dennis Daggett, the union's chief negotiator, told attendees the ILA wanted to settle local issues first because "local management doesn't bargain in good faith, hides behind the no-strike clause, and says, 'The master contract is enough; we're not giving any more.'"

But Daggett said the ILA and its employers have reached tentative local agreements in just two of the 14 ports covered under the master labor contract — New York and New



Jersey and Baltimore. Maritime employers in other ports "have not taken the talks seriously," either because they first want to see the outcome of the master contract talks or because the master contract does not expire until September 2024, he said.

Paul DeMaria, executive vice president of the USMX, told the ILA

"Local management doesn't bargain in good faith."

audience that he would help shepherd through any local talks that have stalled to ensure a new master contract is negotiated before the existing one expires.

"We are committed to our relationship [with the ILA]," he said. "We are committed to getting back

Sources say the USMX has made the ILA an offer on par with the 32% salary increase the ILWU secured in its latest contract.

APM Terminals

to the table before [the contract's] expiration. We are committed to completing all local negotiations."

That lack of progress on the local level has stalled movement on a new master contract covering 45,000 longshore workers, but the current ILA-USMX master contract has a no-strike clause, and there's no indication that the failure to reach tentative local agreements has led to any cargo slowdown.

As for the master contract, two sources familiar with the contract talks who asked not to be identified said employers have made an offer that was on par with the 32% salary increase the International Longshore and Warehouse Union (ILWU) secured in a tentative contract agreed to in June.

The rank-and-file members of the ILWU, which handles cargo from San Diego to Seattle, are expected to vote on the five-year contract in early fall.



The ILA's Great Lakes district has already secured a 40% increase in wage and benefits over the course of a new six-year contract covering 2,000 breakbulk workers, John Baker, general organizer of the ILA, told the ILA convention. The deal with Great Lakes stevedores would work out to a 5.7% average annual increase over the course of the contract.

The ILA did not say what scale of wage and benefit increase it's looking for in the master contract with the USMX, but Dennis Daggett said that "2% and 3% increases aren't going to cut it anymore."

'A major threat'

Pending ratification of the tentative West Coast contract, ILWU workers will also get an equal share of a one-time \$70 million bonus intended to reward dockworkers for remaining on the job during the COVID-19 pandemic, but the union was less successful in trying to offset

past allowances made for automation at marine terminals.

The tentative agreement stipulates how many mechanics will be assigned to work at automated terminals. However, the demand by ILWU locals in Southern California to get coastwide negotiators to agree

"We are committed to getting back to the table before [the contract's] expiration."

to increased manning requirements for certain cargo-handling equipment at conventional terminals failed, according to two sources close to the talks.

"Dockworkers around the world are facing a major threat to their jobs and their future: automation," Harold Daggett said from the dais.

"We are all together in solidarity around the world. We will fight against automation of the maritime industry."

During his speech, Daggett showed a video of automated straddle carriers operating inside a portion of APM's Pier 400 terminal in the Port of Los Angeles. The video claimed that automation at Pier 400 and other terminals in Los Angeles and Long Beach cost some 600 dockworker jobs.

"Who the hell is a foreign company like Maersk to come to America and build a fully automated terminal like that one we just saw?" he said. "Those are jobs lost in America and profits sent back to Copenhagen."

Maersk said in a statement to the *Journal of Commerce* that the number of longshore workers at Pier 400 has fluctuated due to port volumes and the impact of the COVID-19 pandemic, as well as the ongoing modernization of the terminal. The carrier referred to employment figures from the Pacific Maritime Association (PMA), which show that the number of longshore workers in ILWU Local 13, which covers the ports of Los Angeles and Long Beach, who were paid for one or more hours of work grew from 7,331 in 2019 to 7,550 in 2022.

Harold Daggett called on seafarer unions to join a proposed global alliance of dockworker unions. "There is going to be an explosion, and the ILA and dockers across the world are going to light the fuse," he said. "It's time we put companies out of business that push automation."

John Nardi, president of the Shipping Association of New York and New Jersey, which represents maritime employers at the busiest East Coast port, told ILA members at the convention that they themselves need to be more efficient and productive in order to mitigate job losses from automation.

"The fight against automation happens at every port and terminal every day," Nardi said. "If the performance and productivity are there, there is no need for automation."

A matter of jurisdiction

Dennis Daggett warned that ILA members must also be ready to defend their turf against developers

of new offshore wind farms that are looking to bypass unionized longshore workers for loading and unloading equipment. Outside of the wage and benefit increases, the ILA wants firmer guarantees from maritime employers in a new master contract around preserving work jurisdiction.

The current master contract requires that USMX only notify port authorities that ocean carriers “may be prohibited” from using new terminals that employ non-ILA workers. However, the ILA had to sue two ocean carriers, along with the USMX, to enforce that provision with the opening of the Port of Charleston’s Hugh Leatherman Terminal.

The National Labor Relations Board (NLRB) in December ruled that the ILA had the right to sue the carriers and USMX to enforce its master contract. A US appellate court on July 28 upheld the NLRB’s decision, ruling that the lawsuit was a lawful tactic to preserve work traditionally handled by the union’s members.

The South Carolina Ports Authority (SC Ports) has 90 days to file a request for the US Supreme Court to hear the case. In a statement to

the *Journal of Commerce*, SC Ports President and CEO Barbara Melvin said the authority is “reviewing the opinion and weighing all options for appeal.” Still, a hearing in front of the Supreme Court is unlikely, given that it only takes on around 1% of the cases submitted each term.

The ILA said in a statement that its dispute was never with the port authority, but with ocean carriers, who are bound by the ILA-USMX master contract to use union labor in

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container handling. It said SC Ports was trying to “nullify” this agreement to lure carriers to use non-union workers to unload cargo.

The port of Charleston — along with Savannah, Ga., and Wilmington, NC — uses a so-called hybrid model for its longshore workforce, with union workers performing certain jobs including maintenance and repair and clerical duties and state employees operating cranes

and performing other on-dock work. At issue is whether giving union members all work at new or expanded East Coast terminals, per a 2013 master contract clause, is creating new jobs or preserving work to which the ILA is entitled.

The Georgia Ports Authority (GPA) is investing \$1.15 billion to expand the Ocean Terminal, which handles containers and breakbulk cargo. GPA is also spending \$260 million on upgrades to Berth 1 at the Garden City Terminal, the largest marine terminal in North America. It’s unclear whether the manning language — if the ILA manages to get it included in the new contract — would be retroactive, potentially putting the Savannah terminals in the crosshairs.

Dennis Daggett said a new master contract should also encourage more work for the ILA in maintaining and repairing chassis, as well as stronger protections against the advent of port automation that reduces work opportunities for longshore labor.

“We want ironclad language because years after we sign a contract, everyone gets amnesia,” he said. JOC

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