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Home > Stakeholders growing confident ILWU contract talks won't disrupt port operations

Bill Mongelluzzo, Senior Editor | Apr 21, 2022 11:56AM EDT



The Biden administration's task force on port productivity has emphasized the importance of keeping West Coast ports fluid. Photo credit: Shutterstock.com.

US West Coast supply chain stakeholders are more confident than in prior negotiation cycles that upcoming talks between longshore workers and their employers won't deteriorate into the type of titfor-tat actions that have accompanied some prior contract negotiations. They point to rare — and what they say are hopeful — statements from leadership of the International Longshore and Warehouse Union (ILWU) as reasons for that optimism.

Also providing hope in the background: ongoing pressure from the Biden administration to avoid any disruptions that would further inflame US supply chain woes. Talks between the ILWU and marine terminal employers are due to begin May 12 in San Francisco; the current contract expires July 1.

According to four sources close to the upcoming negotiations who asked not to be identified, positive messaging from ILWU President Willie Adams, relayed via a taped interview last week, was unique in that the union rarely communicates publicly before formal talks begin — much less saying something that projects optimism.

"In May, we're going to sit down, and we'll get an agreement," Adams said in the interview, conducted with Gene Seroka, executive director of the Port of Los Angeles.

That could be seen as a signal that the work slowdowns that have occurred during previous contract negotiations are not guaranteed to happen this summer. "Let's talk about positive things, not about bad things that could happen," Adams told Seroka in the interview.

The Pacific Maritime Association, which represents employers in contract negotiations, declined to comment for this story.

Still, a West Coast employer who has been involved in past contract negotiations said he cannot remember when an ILWU president ever spoke publicly and directly about upcoming talks. "I interpreted [Adams] as saying, 'Just settle down. We're going to get an agreement," the employer told JOC.com this week.

The Biden administration, meanwhile, is meeting with leaders from labor and management and telling both sides in private that no work slowdowns would be acceptable, given how delays in the supply chain are already raising consumer prices, according to a source with knowledge of the White House's thinking. A work slowdown by the union or a lockout by employers would cripple the US' supply chain, which is already contending with vessel backlogs, marine terminal congestion, and inland transportation bottlenecks. Labor disruption would also have far-reaching effects on the international supply chain.

Agreement by July 1 unlikely

As occurs early in every contract year, importers who are positioned to do so have been sending more of their shipments to the East Coast in the event of work slowdowns or stoppages on the West Coast following the July 1 expiry of the current deal.

All the sources who spoke with JOC.com said they expect negotiations to continue through that July 1 deadline, primarily because that would align with the union's past strategy of leveraging the threat of work slowdowns during negotiations. When the existing contract expires, the "no strike" clause therein becomes null and void. In the most recent negotiations, in 2014 and early 2015, the union launched targeted work slowdowns that began in Seattle, then shifted down the coast.

A second waterfront employer who listened to Adams' interview with Seroka said he does not believe the union will engage in work stoppages this summer, despite hot-button issues such as automation and union job jurisdiction likely to take center stage in this year's negotiations.

The ILWU "will want something [in the negotiations], but I don't think there will be job actions," the source told JOC.com. "They won't hard-time us."

In his interview with Adams, Seroka said the cooperation dockworkers and employers continue to demonstrate in handling record cargo volumes amid the COVID-19 pandemic should set the stage for productive negotiations this summer.

"If it was that bad, you wouldn't be setting [volume] records," Seroka said.

White House watching closely

Democratic administrations tend to be more reluctant than Republicans to intercede in labor negotiations, and President Joe Biden is widely seen as one of the most pro-union presidents in decades. Adams, in the taped interview, noted that the Biden administration last fall established a port productivity task force that has met in a virtual format every week since then to discuss issues that affect port fluidity.

In an interview with Transport Topics, a trucking news outlet, Secretary of Labor Marty Walsh expressed optimism about the coming labor negotiations, saying he is willing to get directly involved if either side requests help.

"I think everyone is aware of the situation we are in today," Walsh said. "But these are very seasoned negotiators on both sides. I'm not concerned."

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