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Peter Tirschwell | Oct 25, 2022 3:20PM EDT



The financial situation of carriers has deteriorated since May when in its initial demands the ILWU sought a “significant” increase in compensation. Photo credit: Shutterstock.com.

May 10 in San Francisco.

“I don’t see it getting resolved in the next couple of weeks,” Gene Seroka, executive director of the Port of Los Angeles, told JOC.com this week. “We’re probably months away.”

The Seattle issue, which originated with the ILWU believing it was not supported in a dispute with the International Association of Machinists over maintenance jobs at the SSA-operated T-5 terminal at Seattle, is part of a larger conflict, still unresolved, that has resulted in the contract talks dragging on for more than five months. That larger conflict is the ILWU’s belief that employers have failed to live up to a commitment made in 2008 to support the dockworkers in jurisdictional disputes with other unions. It was in return for that commitment, dockworkers say, that led them to agree that year to automation contract language that has resulted in three terminals at Los Angeles-Long Beach installing automated cargo-handling technology and at least two more considering that option.

Negotiators have failed repeatedly in recent months to resolve the Seattle dispute, leading employers to escalate it to officials in Washington, DC, and delaying discussion on other key and potentially problematic issues such as compensation. The financial situation of carriers has deteriorated since May when in its initial demands the ILWU sought a “significant” increase in compensation that one source pinned at 40 percent. Since then, trans-Pacific spot rates have collapsed and are now below \$2,000 per FEU to the West Coast, in the vicinity of breakeven levels for ocean carriers.

On the other hand, the union’s negotiators are not under any pressure from the rank and file to rush into a contract. That’s because West Coast longshore workers have worked more hours year to date this year than during the same period last year.

Contract negotiations between West Coast dockworkers and marine terminal employers — ongoing for more than five months — have been put on hold pending resolution of a hearing to determine jurisdiction of cold-ironing work at an SSA-run terminal at the Port of Seattle, sources tell JOC.com.

The National Labor Relations Board (NLRB) hearing to determine jurisdiction over work associated with plugging in ships to run on shoreside electrical power is being fast-tracked and is expected to take place in early November, with a ruling expected shortly thereafter, the sources said.

The inability to get past the jurisdictional issue in Seattle has now led some observers to conclude that the contract negotiations between the International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA) are unlikely to be resolved this year. Talks began

According to numbers provided by the PMA, the ILWU working hours paid through the first week of October totaled 29.3 million, up 4 percent from the 28.2 million working hours paid during the same period last year. Working hours are up even though US imports from Asia to the West Coast were down 2.6 percent in January through September compared with the first nine months last year, according to PIERS, a JOC.com sister product within S&P Global.

Bill Mongelluzzo contributed to this story.

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