

# ILWU, US West Coast employers reach tentative deal on new six-year contract



*The ILWU and PMA said they would not release details of the tentative agreement “at this time.” Photo Credit: Robert V Schwemmer / Shutterstock.com*

**Bill Mongelluzzo, Senior Editor | Jun 14, 2023, 10:18 PM EDT**

Maritime employers and the International Longshore and Warehouse Union (ILWU) late Wednesday announced they had reached a tentative agreement on a new six-year contract covering all 29 ports along the US West Coast.

The deal, subject to ratification by both parties, ends 13 months of contentious negotiations marked by on-again, off-again job actions that disrupted port operations on the coast and diverted growing volumes of cargo to the East and Gulf coasts.

“We are...pleased to turn our full attention back to the operation of the West Coast ports,” the ILWU and Pacific Maritime Association (PMA) said in a joint statement,

noting the new deal “was reached with assistance from Acting US Secretary of Labor Julie Su.”

The statement said the parties would not release details of the tentative agreement “at this time.”

The contract ratification processes normally takes at least one month.

“...The tentative agreement delivers important stability for workers, for employers, and for our country’s supply chain,” Su said in a statement.

The joint statement implies that the job actions that began last fall, such as the refusal of some ILWU locals to dispatch sufficient labor in key job classifications or the late dispatching of dockworkers, would come to an end.

## Talks were entering critical phase

Entering this week, sources told the *Journal of Commerce* the negotiations had entered a critical phase in which the talks could go either way – a tentative settlement by the end of the week or a possible strike or employer lockout. The importance of this week was demonstrated by the arrival of Su in San Francisco on Monday following a week of labor actions that disrupted port operations up and down the West Coast. Su, after meeting with the ILWU and PMA on Monday, has stayed in the Bay area since, remaining on call as needed.

The deal will be met with relief from shippers and retail groups, who expressed constant dismay at the port disruptions and diversion of cargo away from the West Coast over the past year.

Uncertainty over the reliability of West Coast labor has had a devastating impact on the region’s market share as retailers diverted a large volume of discretionary cargo to the East and Gulf coasts. The West Coast’s share of US imports from Asia declined from 62% in January-May 2021 to 58.6% during the first five months of 2022 and 56% through the first five months of this year, according to PIERS, a sister product of the Journal of Commerce within S&P Global.

“The supply chain and economy will benefit greatly from this new contract, and the San Pedro Bay’s role as the most important gateway for trans-Pacific trade will be enhanced,” Mario Cordero, executive director of the Port of Long Beach, tweeted Wednesday night after the deal was announced.

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