

Journal of Commerce

ILA breaks off contract talks, accuses USMX of semi-automation push



Contract talks between the ILA and USMX are said to have broken down due to employers wanting the option to use rail mounted gantry cranes. Above, dockworkers are pictured during the brief strike in early October. Photo credit: Getty Images.

Michael Angell, Senior Editor | Nov 13, 2024, 2:06 PM EST

The International Longshoremen's Association (ILA) said Wednesday it has halted negotiations with maritime employers over a new master contract due to what it said was a management proposal for introducing semi-automated equipment that would eliminate longshore jobs. The technology at the heart of the dispute is said to be what's already in use at New Jersey and Virginia marine terminals.

The ILA said in a statement it broke off talks with the United States Maritime Alliance (USMX) that were scheduled this week due to the "continued pushing [of] automation and semi-automation language in its master contract proposal that will eliminate jobs." The union and employers were scheduled to meet for four days this week in New Jersey, with the most recent round of talks having ended Tuesday afternoon.

"The USMX introduced language in their proposal for semi-automated equipment to be used at ILA ports, which the union outright rejected," the ILA said. "The ILA recognized this as a renewed attempt by USMX to eliminate ILA jobs with automation and broke off talks."

In a separate statement Wednesday, the USMX said that during the negotiations this week, it was "unable to make significant progress on our discussions that focused on a range of technology issues."

"Unfortunately, the ILA is insisting on an agreement that would move our industry backward by restricting future use of technology that has existed in some of our ports for nearly two decades — making it impossible to evolve to meet the nation's supply chain demands," the USMX said.

The ILA, which represents about 45,000 dockworkers at ports along the US East and Gulf coasts, staged a three-day strike in early October. A tentative deal on wages ended the work stoppage, and a temporary contract extension gave both sides until Jan. 15 to hammer out a final agreement once other bargaining items were settled.

Use of RMGs at ports

Neither side elaborated on the specific technology at issue. But a source familiar with the talks pointed to rail mounted gantry (RMG) cranes as the source of friction between the union and employers.

RMGs are used to stack containers coming off ships for placement on truck chassis. The RMGs are operated by longshore workers remotely within offices, unlike other types of terminal equipment which require a human operator directly on the equipment. A longshore worker can also operate multiple RMGs at one time.

The advantage of an RMG is that it allows more dense stacking of containers within a yard. Other terminal operations that use straddle carriers or rubber tire gantry cranes with an operator directly on the machine require more lanes on terminal property, reducing the available space for containers.

RMGs have been in use at the Port of Virginia's two main marine terminals since 2014. The former GCT Bayonne terminal at the Port of New York and New Jersey, now owned by CMA CGM, has also used RMGs since 2014 due to the yard's small footprint.

The ILA agreed to the previous implementations of RMG technology. It's unknown if a specific port or marine terminal wants to also implement RMG technology now, the source said, adding, however, that the USMX employers would like to have that option available.

The ILA said Wednesday its rank-and-file members fully support breaking off talks and that the brief strike in October "should serve as proof how much they will sacrifice to fight for a fair and decent contract."

While both the ILA and USMX said they hope to resume negotiations soon, neither side said when that might happen. A source close to the maritime employers said they believe talks could resume in the next week or two.

Contact Michael Angell at michael.angell@spglobal.com.

© 2024 S&P Global. All rights reserved. Reproduction in whole or in part without permission is prohibited.

You are permitted to print or download extracts from this material for your personal use only. None of this material may be used for any commercial or public use. For more information on reprints/eprints, please visit https://subscribe.joc.com/mediasolutions/.