

# ILA targets rail-mounted gantry cranes amid impasse in port labor talks



*Rail-mounted gantry cranes have been in use at the Port of Virginia since 2007 and the Port of New York-New Jersey since 2014. Photo credit: Port of Virginia.*

**Michael Angell, Senior Editor | Dec 3, 2024, 5:36 PM EST**

Rail-mounted gantry cranes (RMGs) at container terminals have emerged as the deciding factor for the International Longshoremen's Association (ILA) in whether they will agree to a new master contract that avoids another port strike in January. The union was unable to block the introduction of RMGs at two East Coast ports under three previous contracts but sees their further usage as a line in the sand in current contract talks.

The semi-automated RMGs — which have been in use in the US since 2007 — are seen as the key method for land-constrained terminals, particularly those near urban East Coast ports, to expand. And now they are at the heart of another longshore labor dispute in North America.

In a statement Monday, ILA Executive Vice President Dennis Daggett singled out RMGs for being “at the center of this [current] impasse” with the US Maritime Alliance (USMX) over resuming talks for a new master contract before a Jan. 15 deadline when the existing contract extension expires. The union broke off talks with the USMX over what it said was the employer group’s push for “semi automation” language in the new contract.

Daggett said the equipment has failed to show it can outperform individual longshore machine operators. And in addition to taking away jobs, the RMGs, he said, are a target for hacking. He cast the fight against RMGs as existential for a union that under two previous administrations did not challenge the equipment’s rollout at the ports of Norfolk, Virginia, and Bayonne, New Jersey.

“The ILA is not against progress, innovation, or modernization, but we cannot support technology that jeopardizes jobs, threatens national security, and puts the future of the workforce at risk,” Daggett said.

“This is a pivotal moment in our history,” he added. “The decisions we make today will determine the future for generations to come.”

No talks between the ILA and USMX are currently scheduled.

### **‘Sold the ILA a vision’**

RMGs, two of which will straddle a long row of stacked containers, move boxes forward and backward between the berth and truck lanes. As truckers enter the terminal, the RMG picks out the box from each stack and delivers it to the front of the row for mounting on chassis, or in reverse for loading operations. Stacks can also be “groomed” by RMGs overnight to push containers for morning delivery to the front of the row.

RMGs allow for much denser container yards as less space is required for the operation of straddle carriers or rubber tire gantry cranes, which require an individual operator on the machine. In contrast, the RMG is operated remotely from an office, with an operator also capable of operating several RMGs at once depending on volume.

RMG operations are considered safer as fewer workers are required in the yard around rolling machinery. Breaks and shift changes can also be done faster as RMG operators just move away from desks rather than yard equipment.

Maersk’s APM Terminals subsidiary was the first to roll out RMG technology in the US when it began developing the Portsmouth marine terminal in Norfolk. Opened in 2007,

APM Portsmouth, which had design capacity of 1.5 million TEUs on 291 acres of land, originally had 30 RMG cranes and six ship-to-shore cranes.

The Portsmouth terminal was developed years earlier under the then-current 1996–2001 master contract between the USMX and ILA under its previous president John Bowers. That contract had no language about technology.

Daggett said in his Monday statement that “under a different ILA administration, the employers introduced semi-automated RMGs at a greenfield terminal on the East Coast.”

“They sold the ILA a vision that this new terminal would create thousands of jobs,” Daggett said. “It was a loophole that came at a cost to ILA members and their families.”

Increasingly aware of the potential for job losses, the union’s 2004–2010 master contract was the first to contain terms addressing technology usage at container terminals.

Those original contract terms did not outright bar marine terminals from implementing new technology but require management to notify the affected local and the international longshore union about the new technology and work with the unions to mitigate any job losses.

The ILA has the right to contest any technology implementation through a grievance process before a three-member panel comprised of ILA and USMX representatives and an arbitrator.

## Canal expansion drove RMG growth on East Coast

APM eventually sold Portsmouth in 2014 to Alinda Capital Partners and a UK-based pension fund, which renamed it the Virginia International Gateway (VIG). The buyers said at the time the acquisition of the VIG was due to its “modern design and high levels of automation, which ensure that the facility will be a key component of the port’s infrastructure now and in the future.”

In 2016, as the Panama Canal’s expansion opened up the East Coast to larger ships, the Virginia Port Authority, which operates the VIG, began installing another 26 RMGs and four new ship-to-shore cranes that increased its capacity by another 500,000 TEUs. About that time, Virginia also began to convert the south berth of the nearby Norfolk International Terminal into an RMG operation.

In 2014, Global Container Terminals (GCT) debuted the installation of 20 RMGs as part of a \$325 million expansion of its Bayonne container terminal that also added 70 acres to its 100-acre footprint.

The expansion more than doubled Bayonne's effective capacity from 435,000 container lifts to 1.1 million container lifts per year, making what Bayonne's executives called the most "technologically advanced terminal in the United States."

The rollout at Bayonne was not entirely without controversy, though. The ILA and GCT had to enter arbitration over whether the union had jurisdiction over an RMG safety device that required truckers to press a button that they were in a safe area when a container was being loaded.

The 2012–2018 master contract negotiated by ILA President Harold Daggett, Dennis' father, did not contain an outright ban on any type of automation at marine terminals or the RMGs at Bayonne. However, the language around technology implementation became stricter, requiring that any automation project at a marine terminal go before a 10-member committee of ILA and USMX members that would study the workforce effects of automation.

By the time of the 2018–2024 contract, the ILA negotiated a prohibition on full automation at ports but still left the question of semi-automation technology open to collective bargaining.

"We had learned from these mistakes," Dennis Daggett said. "Under new leadership, the ILA secured workforce protections and guarantees, ensuring that automation would no longer be implemented without consideration of its impact on jobs. These agreements set clear limits on how far technology could go in replacing human labor."

## **Ports 'must evolve'**

The USMX, however, has laid out an opposite stance, seeing the ability to implement new technology as critical for land-constrained US ports and their workers to remain competitive. It, too, noted that RMGs were allowed under previous agreements and allowed one unidentified terminal to double its container throughput.

"Port operations must evolve, and embracing modern technology is critical to this evolution," the USMX said in a statement Tuesday in response to the ILA's statement. "Due to the lack of available new land in most ports, the only way for US East and Gulf coast ports to handle more volume is to densify terminals."

"USMX is not, nor has it ever been, seeking to eliminate jobs, but to simply implement and maintain the use of equipment and technology already allowed under the current

contract agreement and already widely in use, including at some USMX ports,” it added.

Daggett said that the densification argument is designed to deflect from the job losses stemming from RMGs, which still require longshore workers at either end to move containers from the ship or onto chassis.

Daggett said there’s no evidence that terminals with RMG technology are more efficient, adding that RMGs face the risk of hacking attacks due to their reliance on communications networks rather than longshore workers inside an operator’s cab. His warning comes after the ports of Houston and Charleston experienced multi-day gate outages that have gone mostly unexplained.

“This isn’t about safety or productivity, it’s about job elimination,” he said. “The ILA has proven through data and real-world operations that RMGs are not more productive than traditional equipment operated by human workers.”

Since their rollout, the VIG now has 56 RMGs and can handle 2.2 million TEUs per year on approximately the same amount of land it had since 2007. Virginia’s NIT now has 96 RMGs that allow it to handle 3.6 million TEUs per year on some 378 acres of land.

GCT Bayonne handles about 1 million TEUs per year with its 20 RMGs. A third berth that will open in 2025 also means additional RMGs at the site that will further increase its capacity. CMA CGM purchased GCT Bayonne last year, citing its efficiency.

A New Jersey terminal management source who asked not to be identified said that it’s not a matter of RMG operations being more efficient, but rather that it allows them to make the best use of available land and keep up with other operators.

Maher Terminals, the largest privately operated marine terminal on the East Coast, uses over 200 straddle carriers operated individually to move over 3 million TEUs per year. But it has 450 acres of land to do so. The Bayonne terminal only moves one-third of that volume, but it does so on one-third of the land mass.

“If you look at man-hours per lift, there’s very little difference,” the source said.

RMGs have also been implemented at the fully automated Long Beach Container Terminal on the US West Coast, which has been the target of longshore union criticisms over productivity.

DP World has also rolled out RMG technology at its Centerm facility in Vancouver, following a similar rollout of RMGs at the nearby GCT Deltaport facility in 2020. Longshore foremen at the Port of Vancouver, however, have unsuccessfully tried to

negotiate a new staffing agreement with DP World over the RMG introduction, resulting in a port-wide lockout that ended as both sides have been forced by Canada's government into arbitration.

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