

US shippers again ask White House to intervene in longshore contract talks



Talks on a new six-year master contract for dockworkers along the East and Gulf coasts have been stalled since early June. Photo credit: International Longshoremen's Association

Michael Angell, Senior Editor | Sep 17, 2024, 5:32 PM EDT

US shippers on Tuesday renewed their call for the Biden administration to directly intervene in stalled contract negotiations between maritime employers and the longshore union representing dockworkers along the East and Gulf coasts, saying the country is on the verge of another supply chain shock should a strike occur on Oct. 1.

The shippers were joined this time by a group of House Republicans, who in a separate letter warned of the “dire impacts” to the US economy from a possible port strike.

A group of 177 national and state trade associations signed the letter to President Joe Biden, urging his administration to help the International Longshoremen’s Association (ILA) and the United States Maritime Alliance (USMX) “return to the bargaining table to

restart stalled negotiations” over a new six-year master contract covering about 45,000 dockworkers.

The letter — the group’s second in three months — comes as the two sides have not formally met for talks on a master contract since June.

“We call upon the administration to immediately work with both parties to resume contract negotiations and ensure there is no disruption to port operations and cargo fluidity if a new contract is not reached by the expiration date,” the letter said.

At this point, a strike looks inevitable with the union having received the support of its rank-and-file for a walkout during its wage-scale committee meetings in early September. The ILA issued a statement Tuesday saying its members are “united as never before in their determination to win a new contract.”

“A sleeping giant is ready to roar on Tuesday, Oct. 1, 2024,” ILA President Harold Daggett said in the statement. “My members have been preparing for over a year for the possibility of a strike.”

The letter from the trade groups reminded the White House of its previous interventions in collective bargaining negotiations, including between UPS and the Teamsters, the Class I railroads and their unions, and the Pacific Maritime Association (PMA) and the International Longshore and Warehouse Union. Saying the Biden administration helped avoid major supply chain snarls in those situations, the groups said the time is now to do the same for the talks between the ILA and USMX.

“It is imperative that the administration engage with the parties to quickly negotiate a new deal or agree to continue negotiations while keeping the ports open and the cargo flowing,” the letter said.

The USMX, in response, said in a statement late Tuesday it is “in strong agreement” with the letter sent by the trade groups, but warned it appeared unlikely that talks would resume anytime soon.

“We have tremendous respect for the ILA and its members, but it is disappointing that we have reached this point where the ILA is unwilling to reopen dialogue unless all of its demands are met,” the USMX said. “The only way to resolve this impasse is to resume negotiations, which we are willing to do at any time.”

Republicans wade in on port strike

Daggett has made no secret of the fact he wants the White House to stay out of the ILA-USMX talks, claiming West Coast dockworkers received a lesser deal from the PMA

last year due to the Biden administration's intervention.

The timing of a possible strike is also a political minefield for Biden and Democratic presidential nominee Kamala Harris. While the optics of supply chain chaos along the East and Gulf coasts a month before the election would be terrible for Harris, the White House doesn't want to alienate union workers across the country by appearing to coerce ILA dockworkers into a deal or forcing them back to the negotiating table via the Taft-Hartley Act.

A separate letter signed by 25 House Republicans, led by Transportation and Infrastructure Committee Chairman Sam Graves and Maritime Transportation Subcommittee Chairman Daniel Webster, warned that a port strike along the East and Gulf coasts "would result in delays and dire impacts to our supply chains, our economy, and the American consumer."

"Given the devastating economic consequences of a potential strike and the administration's lack of engagement to date, we urge you to give immediate attention to this matter, to aid in these negotiations, and find a reasonable resolution to these contract disputes," the Representatives' letter said.

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/>.