Dockworkers seek wage increase 'commensurate' with corporate profits

Union representing port workers from Maine to Texas halted labor talks Tuesday

Noi Mahoney

Thursday, June 13, 2024



The International Longshoremen's Association said record profits by members of the United States Maritime Alliance have not led to proportional wage increases for dockworkers. (Photo: Jim Allen/FreightWaves)

<u>The International Longshoremen's Association</u> (ILA) said dockworkers deserve wage hikes in line with the "billions of dollars" in recent financial results from ocean carriers.

The call for higher wages comes after the ILA canceled master contract talks on Tuesday with the United States Maritime Alliance (USMX) after accusing APM Terminals and Maersk of using automated technology at ports across the country, the ILA said.

"USMX member-company's profits are enormous, amounting to billions of dollars, and the ILA will demand wage increase commensurate with these revenues," the organization said in a <u>Facebook</u> post on Wednesday.

USMX represents ocean carriers, maritime employers and port associations along the East and Gulf coasts.

According to the ILA, an automated gate system being used by APM Terminals and Maersk at the Port of Mobile, Alabama, is reportedly in use at other seaports as well. The system autonomously processes trucks without using ILA labor.

The ILA, which represents 85,000 workers at East Coast and Gulf Coast ports, said it will not meet with USMX until the automated gate issue is resolved.

"Companies like Maersk are repeatedly trying to eliminate ILA jobs with the introduction of automation while raking in billions of dollars," Harold J. Daggett, ILA president, said in a statement. "While our ILA members are battling inflation, trying to pay their mortgages and send their children to college, our employers and companies are enjoying record profits. The ILA will demand our ILA longshore workers get big boosts in their wages."

Officials for USMX could not immediately be reached for comment.

A Maersk spokesman disputed the ILA's accusations and said the company operates in compliance with the ILA/USMX master contract.

"We are disappointed that the ILA has chosen to make selected details of ongoing negotiations public in an effort to create additional leverage for their other demands. We will continue to engage with all stakeholders, including the ILA, to address their concerns," a Maersk spokesman told <u>CNBC</u>.

The wage concessions being sought by the ILA are unclear. The existing contract has union members making \$20 to \$37 an hour, depending on seniority and job skills.

The ILA's current master contract with USMX runs until Sept. 30. Daggett said the union could initiate a strike on Oct. 1 if a new contract is not negotiated.

"The threat of a coast wide strike on Oct. 1 is becoming more likely as USMX and its member companies continue to drag their feet," Daggett said.