

# No late reprieve from USEC strike

September 30, 2024



Port of Virginia

US dockers' union, the International Longshoremen's Association (ILA) has confirmed that tomorrow's strike will begin at midnight local time, with union members downing tools at east coast and Gulf ports.

The ILA has a total of 85,000 members across North America, but any hopes of relief from Canadian ports were dashed with an announcement that Montreal dockers will also begin a three-day stoppage, closing down some 40% of the capacity at Canada's largest east coast facility.

An ILA statement said: "United States Maritime Alliance...refuses to address a half-century of wage subjugation."

The United States Maritime Alliance (USMX) filed an Unfair Labor Practice (ULP) charge with the National Labor Relations Board (NLRB) requesting "injunctive relief" in an attempt to force the ILA back into negotiations.

An ILA statement argued that by filing charges, on a Friday, four days before the expiration of the existing Master Contract, illustrates how poor the union's "negotiating partners" have been.

“The ILA regards the suit as another publicity stunt by the employer group, and countered that foreign owned companies, represented by USMX set up shop at American ports, earn billions of dollars in revenues and profits, take those profits out of country, and fail to adequately compensate the ILA longshore workforce for their labor are engaging in a real ‘unfair labor practice’ and have been getting away with [it] for decades.”

USMX is the employers’ association, which has 40 members, including all top ten container lines, port operators and port associations,

Xeneta’s chief analyst Peter Sand said he expected the US Government to allow the strike to go ahead for at least five to seven days, but argues that the administration will need to find a resolution reasonably quickly.

“The Democrats claim to be on the workers’ side, but they can’t let the strike go on forever, after five to seven days an intervention from government could be seen as neutral,” said Sand.

According to Xeneta the ILA and USMX could reach a settlement on wages, with Sand pointing out that a similarly high wage deal was agreed with the ILA’s union counterparts on the West Coast, but the main obstruction to a settlement in the dispute is the levels of automation that terminal operators want to introduce.

Automation of ports and terminals could see dramatic reductions in port labour, with terminals expected to improve productivity substantially through the introduction of terminal operating systems that can have a single operator overseeing a number of cranes from a computer terminal in an office.

“Unions are aware that they are fighting the wind,” as far as automation goes explained Sand, and they have said they would not accept automation or semi-automation of terminals, however, he added: “If unions give in to something it will be semi-automation.”

In order to achieve this, however, negotiations with the unions must actually take place and while USMX has filed an Unfair Practice charge, on 26 September, three days earlier the employer’s association had also indicated it was open to mediation.

“USMX has received outreach from the Department of Labor, the Federal Mediation & Conciliation Service (FMCS), and other federal agencies and we will keep them up-to-date on the status of negotiations. We would be open to working with the FMCS, as we have done successfully in the past, but that is only possible if both sides agree to mediation,” said a statement.

According to the Global Freight Monitor report by HSBC Global Research, US east coast and Gulf ports handled 57% of US imports last year. However, USWC ports have seen some freight diverted as the strike date approached, reducing 2024 volumes to date to 55.5% of total US imports.

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