Deadline for cargo to beat possible US port strike passed

With negotiations between employers and dockworker unions at US East Coast ports a standstill the threat of a renewed strike on 15 January is looming larger.

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File Photo: Bayonne Terminal at the Port of New York and New JerseyCredit: PANYNJ

America's National Chicken Council (NCC) has become the latest shipper to joint the growing chorus of BCO's to call on the unions and employers to reach a contract settlement before the 15 January deadline.

In October the International Longshoremen's Association (ILA) and the employer's representative the United States Maritime Alliance (USMX) agreed to wage increases, but deferred the agreement on its master contract to January to negotiate details on automation.

Earlier this month the ILA said that negotiations were "at an impasse" as employers look to expand the use of semi-automated rail-mounted gantry cranes.

"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," said an ILA statement.

A day later the USMX stated: "Port operations must evolve, and embracing modern technology is critical to this evolution. It means improving performance to move more cargo more efficiently through existing facilities - advancements that are crucial for US workers, consumers, and companies."

With the possibility of the next confrontation taking place within the next five weeks strike action at US east and Gulf coast ports could pose a major threat.

Related: Unions walk away from US East Coast ports contract negotiations

Container ships arriving after the January deadline for the conclusion of negotiations have already loaded Asian freight.

Vessels departing from Asia from now could end up in offshore queues, said brokers Braemar. When the ILA went on strike on 1 October hundreds of vessels were headed towards US East Coast ports with no alternative destinations with lines expecting to drop anchor and wait out the industrial action.

It is for this reason that the NCC said it, along with hundreds of organisations representing American manufacturers, farmers and agribusinesses, and many other importers and exporters and other supply chain stakeholders, have written to the ILA and USMX urging for them to come to an agreement.

"We know significant issues remain between the parties," they said in the letter, "However, we continue to believe the only way to resolve these issues and come to an agreement is to actually stay at the negotiating table. The continuing start and stop of the negotiations leads to further uncertainty in the supply chain, which continues to cause challenges."