Longshoremen's + warehousemen (ILWU) - Shipping industry

JOINT NEWS RELEASE

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION
150 GOLDEN GATE AVENUE, SAN FRANCISCO

PACIFIC MARITIME ASSOCIATION
16 CALIFORNIA STREET, SAN FRANCISCO

FOR IMMEDIATE RELEASE

SAN FRANCISCO, OCT. 18 -- A 6-year mechanization and modernization agreement epochal in the annals of industrial relations was reached here today between the International Longshoremen's & Warehousemen's Union and the Pacific Maritime Association.

The agreement involves a fund of $5 million per year to be paid by the employers to provide for benefits to West Coast dock workers in exchange for introduction of improved methods of work and labor-displacing machinery. The new fund is in addition to the $1.5 million already contributed by the employers as result of agreement reached in June, 1959.

The new agreement is in addition to the present coast longshore agreement covering wages, hours, pensions, health and welfare and dental care, and applies to all workers presently in the industry who qualify by registration.

The earlier collective-bargaining agreement, which was due to expire in 1962, has been extended also for five years with annual reopeners on wages and other matters.

The new mechanization and modernization agreement provides:

1. No layoffs.
2. A guarantee of minimum weekly earnings.
3. Early retirement or a lump benefit at normal retirement.
4. Additional death and disability benefits.
5. No individual speedup, no infringement of safety rules for the entire longshore work force.

In exchange for these benefits and its $5 million yearly cost the employers are relieved from restrictions in the contract and working rules dealing with sling loads, first place of rest, multiple handling, gang sizes and manning scales, so as to permit them to operate efficiently, change methods of work, utilize labor saving devices and direct work through employer representatives while explicitly observing the provisions and conditions of the agreements.

Negotiation of the agreement started last May under a wage and other clause opening of the Coast Longshore Agreement dating from June, 1959. Wage increases and other matters were settled before a June 15 deadline, and went into effect as of June 16.

The negotiators stopped the clock on mechanization and modernization and stayed almost in continuous session for the four months ending today.

Most rapid progress was made during the past two weeks during which negotiating sessions have been held in fishbowl style with 95 delegates from 37 longshore, shipsclerks and walking boss locals of Washington, Oregon, California and Alaska present and listening.

The delegates were present for a Coast caucus called for the purpose of considering the negotiations. The caucus has recommended acceptance of the agreement which must go to secret referendum ballot, and also be ratified by members of the PMA.

The Mechanization and Modernization Fund will be built at the rate of $5 million per year through July 1, 1966.

The weekly wage guarantee becomes operative when hours fall below an agreed level due to reduced work opportunity resulting from changes in methods and labor-saving devices. It will not apply to a drop in tonnage due to decline in economic activity. Details as to eligibility and administration are still to be worked out.

The amount of benefits for early retirement, vesting and death will be determined by the union.

Voluntary retirement may be chosen at age 62 or thereafter with 25 years' service at the rate of $220 per month. Such early retirement will consume all or part of the man's vested share of the fund prior to his 65th birthday. Any residue of his share would be payable in a manner determined by him.

Normal retirement will continue at age 65 with 25 years' service, and with payment of a lump sum equivalent in whole or on a monthly basis as preferred.

After 15 years of service there would begin to accumulate a vested right in the Fund. At the age of 65 with 25 years or more of service the right will be fully vested.

In the event of death or disability prior to reaching pension retirement a man or his beneficiary will receive a proportionate amount, depending on years of service beyond 15.

The widow or beneficiary where more than 5 and less than 15 years of service has been earned would receive additional death benefits.

Pensioning can be made obligatory at age 64, 63 or 62 with 24, 23 or 22 years of service and with the same payments as above, plus normal pension payments, if such mandatory retirement is mutually deemed necessary for the purpose of reducing the work force. Any disagreement between the parties over mandatory retirement would be subject to arbitration.

First approach to the problem of mechanization and modernization in the West Coast longshore industry was made in 1957 in strictly informal talks between officials of ILWU and PMA after a Coast Longshore, Shipsclerks and Walking Boss Caucus called to consider the matter in Portland in October, 1957, adopted a program looking to full utilization of labor-saving machinery with maximum protection for the welfare of the workers.

The Portland caucus authorized union officials to undertake the informal talks and approved a report of the Coast Labor Relations Committee which recognized that mechanical improvements "are an increasing trend here to stay" and welcomed the lessening of hard labor performed in the past.

In November, 1957, an exchange of communications between PMA and ILWU relative to the informal talks revealed two basic objectives. These were (1) to extend and broaden the scope of cargo traffic moving through West Coast Ports and to revitalize the lagging volume of existing types of cargo, and (2) to preserve the present registered force of longshoremen as the basic work force in the industry, and to share with that force a portion of the net labor cost saving to be effected by introduction of mechanical innovations, removal of contractual restrictions, or any other means.

In mid-1959 the talks changed from informal to formal negotiations, and in the contract signed that year the employers established a $1.5 million fund as an indication of good faith in seeking fair solution to the problem. Both parties at that time lacked sufficient data on the impact of modernization to negotiate any firm agreement.

All applicable sections of the agreement will apply equally to the Ship Clerks as to the Longshoremen.

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