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ILA-USMX contract talks break off over automation

[JOC](#) > [Port News](#) > [Longshoreman Labor](#) > [International Longshoremen's Association](#)

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The ILA is refusing to back down in its strong opposition to automation. Photo credit: Kalmar.

HOLLYWOOD, Florida — Negotiations on a new International Longshoremen's Association (ILA) contract broke off abruptly Wednesday as ILA president Harold Daggett accused employers of seeking to use automation to eliminate dockworker jobs.

Daggett said the ILA and United States Maritime Alliance (USMX) disagreed on the distinction between fully automated terminals, which he has pledged to fight, and semi-automated terminals that have automated features but are operated by dockworkers.

“When they’re talking about fully automated, they mean two or three people on the whole terminal,” he told JOC.com. “We’re not going to accept that. If they install a computer on any equipment, they need to provide a seat for a longshoreman next to it.”

Daggett said the union is prepared to avoid bargaining until the current coastwide contract expires on Sept. 30, 2018. However, he has instructed local officials to continue negotiations on supplemental local issues covering pensions, work rules, and other port-specific issues.

USMX issued a brief statement suggesting the halt in bargaining was only a temporary detour on the path to a strike-free agreement. “Discussions on a range of issues were open and frank, and USMX expects the talks to continue at some point in the future and looks forward to a successful resolution,” USMX said.

Several management and union officials said they were not unduly alarmed by the breakoff in talks, and noted that nearly 10 months remain before the contract expires.

USMX and ILA representatives opened talks this week on a note of optimism that they could make substantial headway toward a long-term contract extension. The two sides have been eyeing an extension stretching to 2024, six years after the current agreement expires.

Such a deal would leapfrog the five-year extension to mid-2022 that the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) ratified this year for West Coast ports. Daggett said he was “disappointed” that the ILWU contract allowed continued development of fully automated terminals.

Daggett said USMX proposed to define fully automated terminals as one in which unmanned vehicles transport containers between dockside gantry cranes and yard stacks. The two most highly automated ILA-staffed terminals, at the Port of Virginia and at GCT Bayonne in the Port of New York and New Jersey, use manned vehicles to shuttle boxes between dockside and remote-controlled yard stacking cranes.

The ILA president said USMX’s proposed definition would blur the distinction between semi-automated terminals, which the ILA has accepted, and fully automated terminals. He said it would allow terminals to sharply increase the level of automation but still call themselves semi-automated as long as they use manned transporters between dockside and the container stack.

Daggett had said previously that he viewed automation as the main issue in the current negotiations. During a pre-negotiating session last February, delegates also raised issues including jurisdiction over chassis repair and other work, and support of some ports’ underfunded local pensions.

The recent ILWU-PMA extension was focused on wages and benefits and avoided more contentious issues such as automation and work jurisdiction. The East and Gulf coast contract talks also are expected to be limited in scope.

The ILA has not had a coastwide strike since 1977 but came to the brink of one during the last round of negotiations, in 2012 to 2013. Those talks were settled with a federal mediator’s help after bitter public exchanges, repeated strike threats, and two temporary extensions.

An early agreement on a new contract for East and Gulf coast ports would help them retain market share they gained after West Coast labor disruptions including a 10-day lockout in 2002 and months of delays during contract negotiations in 2014 to 2015.

East and Gulf coast ports' share of US containerized imports from Asia rose to 34.6 percent during the first 10 months of this year, compared with 26.3 percent in 2010, according to PIERS, a sister product of JOC.com.

ILA and USMX officials began exploring a long-term extension more than two years ago, but the effort lost momentum amid questions about health care and other issues, and eventually opted to await the outcome of the ILWU-PMA negotiations on the West Coast.

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