Dockworkers Shut Down, Slow Cargo Operations at West Coast Ports

Shipping executives say walkouts and slowdowns halted international trade at Oakland and hampered container handling from Southern California to Seattle

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The Port of Oakland in March. PHOTO: JUSTIN SULLIVAN/GETTY IMAGES

A new wave of job actions halted cargo operations across major West Coast ports, with dockworkers effectively shutting down the Port of Oakland for a time and hampering handling at some of the country's busiest trade gateways in an escalating confrontation with employers over long-running contract talks.

The Pacific Maritime Association, which represents West Coast terminal operators, said Friday that dockworkers were "staging concerted and disruptive work actions" that had stopped or severely disrupted operations stretching from terminals at Southern California's big container port complex at Los Angeles and Long Beach to Seattle. Shipping industry officials said dockworkers failed to show up for work and slowed operations at the ports starting Thursday evening and continuing into Friday morning.

"We are moving at half of the velocity that we normally operate with," an official at one cargo-handling terminal at Los Angeles-Long Beach said Friday. Some terminals in Southern California opened Friday morning and then stopped accepting trucks a few hours later as traffic built up because of the slowed operations.

A spokeswoman for the Port of Oakland, the eighth-busiest container port in the U.S., said the port's international operations were closed Friday morning and that it was unclear if they would open for the afternoon.

The disruptions were the latest to hit the docks during coast-wide contract talks that have been going on for more than a year to replace a labor agreement that expired last July.

The Pacific Maritime Association, which represents employers, and the International Longshore and Warehouse Union, which represents more than 22,000 dockworkers at 29 ports from California to Washington state, <u>had reported progress</u> in recent weeks, including an agreement on terms for the <u>use of automation</u> at the ports.

Shipping industry officials say labor relations deteriorated this week, however, as employers and the union struggled to reach a deal over wages.

The union local representing dockworkers in Southern California said in a statement posted to its website Friday that workers continued to do their jobs on Friday, but that they had "taken it upon themselves to voice their displeasure with the ocean carriers' and terminal operators' position."

The PMA and the ILWU have declined to comment on the talks while they are ongoing.

The basic longshore pay rate in 2022 was \$46.23 an hour, according to PMA data. The employer group says that with bonuses and overtime, full-time ILWU dockworkers last year made, on average, \$211,000.

The compensation goes higher with benefits that include healthcare coverage with no premiums and both a pension and a 401(k) savings plan with employer contributions.

Previous contract talks <u>have turned contentious</u>, leading to work disruptions that caused significant delays on the docks.

The current talks have coincided with periods of <u>sporadic disruptions</u> at some ports, but the outages haven't been as widespread, severe or prolonged as those seen in previous rounds of talks. Even so, some importers have diverted goods to ports on the Gulf Coast and East Coast over the past year as a hedge against possible delays, exacerbating a drop-off in cargo volumes on the West Coast. The Retail Industry Leaders Association, one of the retail sector's largest trade groups, voiced alarm at the stoppages Friday and called for a quick resolution. Any interruption or disruption in operations at the gateways "immediately has a ripple effect that impedes retailers' ability to quickly and efficiently deliver for American consumers," said Jessica Dankert, the group's vice president of supply chain.

Cargo volumes at the port and other U.S. gateways have <u>fallen sharply this year</u> as retailers, overstocked from last year's rush to bring in goods, have pulled back on imports. The decline has been steeper at West Coast ports as retailers rerouted some volumes to avoid potential labor disruptions.