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Bill Mongelluzzo, Senior Editor | Dec 05, 2014 2:47PM EST

The heads of the two largest U.S. ports said it is time for President Obama to pressure the International Longshore and Warehouse Union and the Pacific Maritime Association to end the contract impasse that is crippling West Coast ports and is threatening the nation's economy.

"Enough is enough," Jon Slangerup, chief executive of the Port of Long Beach, told a Harbor Transportation Club dinner meeting Thursday. "These guys have to get back to work," he said.

The mayors of Los Angeles and Long Beach are in constant contact with the White House and are urging federal pressure to achieve quick results, said Gene Seroka, executive director of the Port of Los Angeles.

"The President is updated every night," he said.

A White House spokesman said in mid-November that Obama was confident the two sides could reach a deal. The ILWU and PMA would both have to request a federal mediator to get the process going, but the president could pressure them to seek one.

The ILWU is working, but very slowly. The PMA said that beginning in late October, workers in Seattle and Tacoma reduced crane productivity from about 28 container moves per crane per hour to less than 20. The Port of Tacoma confirmed this week that some container vessels in international services must sit at anchor for 12 to 15 days before proceeding to berth because of the work slowdowns.

The Marine Exchange of Southern California issues daily reports showing container ships at anchor in Los Angeles-Long Beach range from four or five to more than 10, depending upon the day of the week. The PMA said the ILWU is filling only about 50 percent of the work orders for skilled equipment operators needed for yard work. Seroka noted that container backlogs are so bad that a number of terminals are working at 95 percent of capacity, which is far above the 80 percent utilization rate that is considered operating at full capacity.

The ILWU and PMA began contract negotiations in May. The ILWU has been working without a contract since July 1, and with no contract there is no grievance machinery in place. That means employers are helpless in preventing work slowdowns.

The Southern California ports have been struggling with severe congestion for much of the year due to a flood of big ships operated by powerful carrier alliances. Cargo surges of 5,000

to more than 10,000 container moves per vessel call have overwhelmed the ports. A shortage of chassis is also contributing to port congestion.

Slangerup said that at first the contract impasse was only a minor contributor to port congestion, but now it is one of the main drivers of congestion. The ports have met several times with ILWU locals in Southern California, and have been on the phone regularly with the PMA to better understand what is holding up the negotiations.

“They will not tell us what is going on,” he said.

The one development that needs no explanation is the increasingly bitter public exchanges that have taken place between the PMA and ILWU since October.

“It has gotten worse,” Slangerup said. That should send a clear signal to the White House that it is time for action. “The President has to act. It is long overdue,” he said.

Such strong statements from the executive directors also sends a message to the international transportation community that the ports are no longer going use their landlord status as an excuse to remain detached from operational and labor issues that threaten the efficient use of their costly assets. Long Beach is engaged in a 10-year, \$4 billion capital expansion program, and Los Angeles will spend \$1.7 billion over five years. The ports are modernizing terminals to handle mega-ships, and are expanding their landside infrastructure.

Seroka said the ILWU-PMA contract impasse has created an environment of inertia that is preventing all of the port stakeholders, including shipping lines, terminal operators and labor from addressing the pressing operational issues that are contributing to the ports’ congestion.

“They have to come to the table,” he said.

These conditions have clearly resulted in a loss of cargo in what should have been a banner year at the ports. Seroka noted that Los Angeles’ volumes are up 7.5 percent even with all of the problems. “Where would we have been without this?” he said.

In another sobering development, the G6 Alliance announced this week that it will drop Los Angeles from a weekly trans-Pacific service for at least the month of January, citing congestion as a reason.

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