

## Historic Three-Year Contract Extension

Reaching agreement on the contract extension was welcome news locally, nationally and globally.

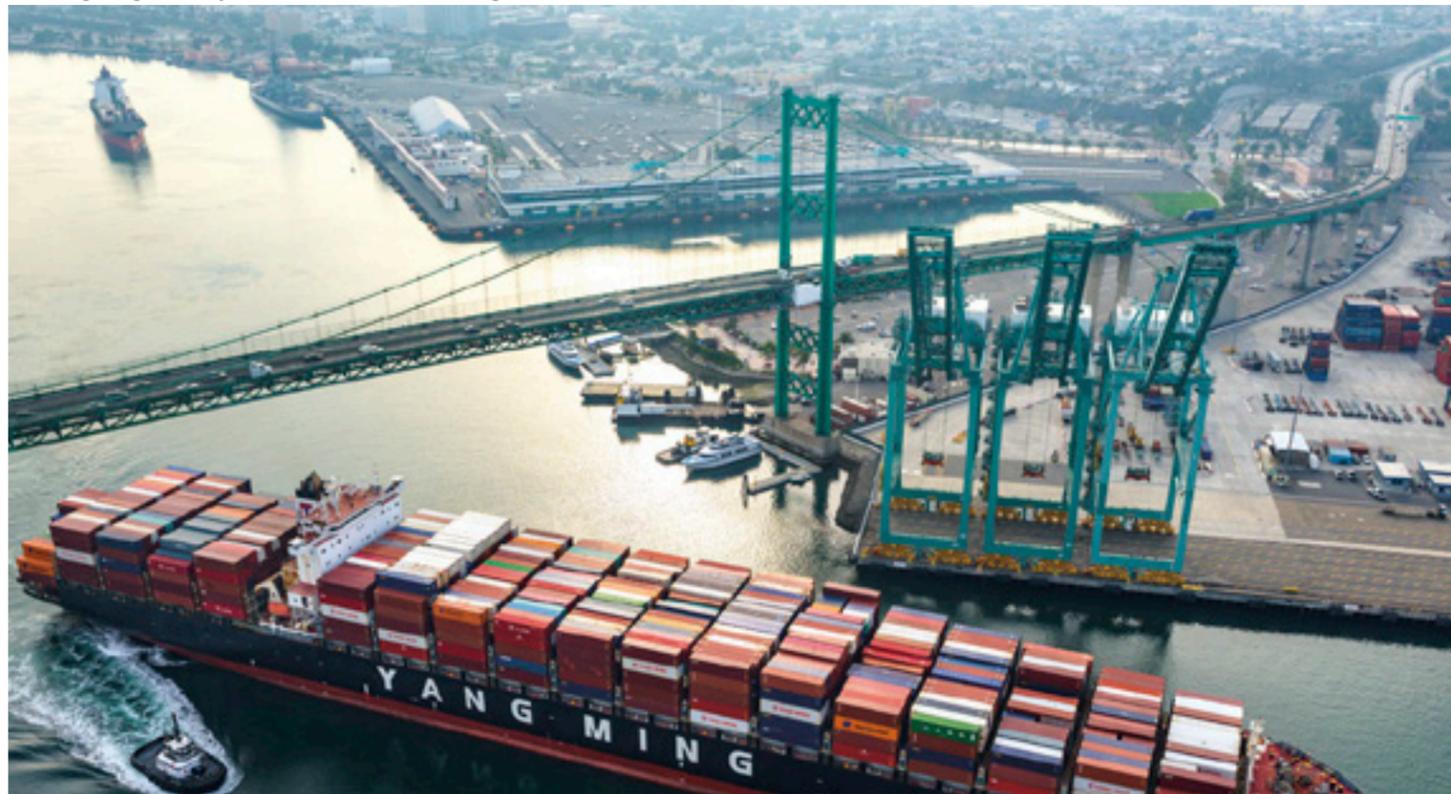
The three-year contract extension agreed to by the ILWU and PMA in 2017 gives a significant boost to the West Coast waterfront as it continues to gain momentum as the leading North American maritime gateway for international trade. It is a precedent-setting agreement as well – **this is the first-ever contract extension between the PMA and ILWU.**

With increasing competition for cargo from ports throughout North America, it is crucial for the PMA and ILWU to work together to maintain and enhance the competitive position of the West Coast waterfront.

The contract extension builds upon recent strides, culminating in a year marked by strong volume growth and productive terminal operations. And with investments in modern terminals and intermodal connectivity, the future for an increasingly competitive West Coast waterfront is promising.

By extending the contract to 2022, the PMA and ILWU are sending a clear message to the global shipping community that we fully understand the crucial importance of labor peace, and are dedicated to providing dependable and reliable service across all 29 ports from Bellingham to San Diego for years to come.

Yang Ming *Mutuality* arrives at the Port of Los Angeles.



And that message has already been heard. The National Retail Federation hailed the agreement as a “remarkable sign of good faith on the part of both labor and management,” declaring that the extension “will provide the stability and predictability that NRF’s members and other supply chain stakeholders need to move their cargo efficiently through our ports.”

The executive director of the Agriculture Transportation Coalition said the contract extension was “highly valued and appreciated by AgTC members.” The executive director of the Port of Los Angeles said, “The certainty that comes with the contract is great news...” A *Seattle Times* editorial, in encouraging approval of the extension, said, “Stability from a longer contract would benefit workers, public ports, terminal operators, shippers and exporters.”

Indeed, the benefits of the contract extension reach nearly every corner of the U.S. economy. According to a recent economic report, West Coast ports support more than 9.2 million U.S. jobs, with a domestic business impact of \$2 trillion. In all, 12.5 percent of the U.S. GDP is tied to cargo moving through West Coast ports.

“This shows that the West Coast means business when it comes to moving cargo for our customers. We’re the most efficient, timely and cost-effective gateway for international trade and with a contract extension, we’re also the most dependable.”

– Port of Oakland Executive Director Chris Lytle

A shared understanding and appreciation of the West Coast ports’ impact on the national economy drove the negotiating process forward, resulting in an extension that raises wages, maintains health benefits and increases pensions for ILWU members. The PMA was heartened by the level of support the contract extension received from rank-and-file ILWU members.

Looking to the future, priorities to create increasingly modern, productive and reliable terminals will enable our ports to be sustained engines of economic growth.

It will be important to prove that the PMA and ILWU are working collaboratively to adapt to increasing volumes and a changing workplace environment, and meeting or



A Local 13 longshore worker unloads steel pipes at Pasha Stevedoring Terminal at the Port of Los Angeles.

exceeding shippers’ expectations. Working together, we have the opportunity to spur growth on the West Coast waterfront; this growth will have positive ripple effects on the communities surrounding the ports, the nation, and markets around the world.