

State of the Stevedoring Industry

Preparing for Tomorrow - Today

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When I was asked to write an article for this issue addressing the state of the stevedoring industry I contemplated how I might best convey the ideas I have consistently expressed to the Industry. The themes that I have expressed during my first year as President have been consistent and direct. The themes address where I think the West Coast maritime industry is now, where I think we should be going, and how I plan to get us there.

I was new to the maritime industry when I came aboard just over one year ago, and I have found it very interesting, exciting, and full of challenges. During the 1996 labor contract bargaining, for which my predecessor was chief negotiator, members of the bargaining committee assured me that this bargaining session wasn't a normal happening.

I disagree. What happened in these negotiations is a symptom of the challenges that have lain dormant for a long time and that we will continue to face.

I asked simple questions, like, "Why?"

Why do we pay highly skilled employees to stay home and then complain when we have labor shortages and scheduling problems?

Why do we pay longshoremen and clerks for a full shift when they arrive late and then wonder why they don't arrive on time?

Why do we spend 7 or 8 million dollars annually training longshoremen and clerks who individually may choose not to use their new skills?

Why, at the wages we are paying today, do we accept less than the most qualified and well-trained individuals into the industry?

Why do dispatch halls in the nation's busiest ports still use sign-in sheets on clipboards and chalkboards left over from the 1930's to dispatch longshoremen to jobs?

Why, in view of the foregoing ironies and inconsistencies do we fear implementing any policy that might upset the status quo or rock the boat?

These are not rhetorical questions, but I don't expect answers right now. The questions simply amplify the potential efficiencies and dollars at risk that our industry must address to stay competitive.

I have been asked to describe the PMA in the 21st century, but I don't know what the future holds.

I do know that we must be prepared to meet the challenges of the future.

I do know that we must take the lead in support of the industry.

I do know we must anticipate and be in front of change.

The PMA is going to be prepared to lead us through these challenges and changes in our future!

My goal is to have the PMA recognized as the best labor relations support group in the world and for PMA to be perceived by you as an instrument for effectively changing and bringing efficiencies to the waterfront on the West Coast. We absolutely must do this to maintain our current business and to attract new business to the West Coast.

How? Let's look at our main issues:

Communications

Alignment of interests

Efficiencies

Education/training

Communication—what does it mean to me? It's mostly listening and a lot of understanding; it's not a lot of talking. You see, the more you talk, the less you learn. Naturally, I must listen to you (you are the client), to the union, to your customers, and to port officials.

In turn, we must be listening to each other. We must do more than hear. We must understand. The issues I hear are symptoms of a deeper problem that has lain dormant and that we face again and again. I need to understand the important issues of the employers, as well as those of the union. Both parties must understand each other's important issues.

We must work toward an alignment of interests. Traveling down separate paths --paths leading in different directions -- will lead us only to disaster.

We must stay in alignment. This is done through communication: teaching, sharing, openness, and honesty.

We develop trust because we have mutual objectives. What are our mutual objectives? Growth and productivity. The union needs to be aware of our issues and to understand how they interrelate to their issues. They obviously not only interrelate, but they overlap.

Shippers do have alternatives. There are ports on the West Coasts of Canada and Mexico and ports on the East and Gulf Coasts of the U.S., all of which are hungry for business.

For the first-time, shippers are openly criticizing the ILWU. They are challenging it. The old ILWU community image is eroding. If shippers select ports that are not located on the West Coast of the U.S., we will both lose.

Customers are saying that a paradigm shift in port practices is required to deal with the inefficiencies facing ports. The inefficient practices of the ILWU are getting the blame for the long lines and other operational inefficiencies, and people are calling for port management to take responsibility for the efficient use of port property and not just to act as landlords.

I'm afraid we have not taken the time to explain our needs and address our problems. We have been busy reacting. Instead of reacting, we need to establish clear goals for the organization with measurable objectives.

Not pie-in-the-sky, not fancy slogans or mission statements (although they will be there), but clear, short-term and long-term goals. Goals that we can, step-by-step, achieve, or adjust where required, by doing the right things. And doing the right things right!

We can no longer afford to do the wrong things, looking only short-term. When you look at our ten-year goal, you will shudder. But, when we get there and when you look back, you will see how far we have come just by taking incremental steps.

To do this, we need to listen to each other; we need to understand each other, we need to communicate well with each other. We are NOT preparing for our next negotiations six months in advance anymore. Our next negotiation begins now!

Everything is not gained or lost at the bargaining table. It is how we manage our business now that makes a difference. Giant steps can be taken outside the formal bargaining process. The union has not only given us the window of opportunity to take those steps, it has asked us to take them. Even if it is a baby step, it's a beginning.

We need to be standing together. Your strength is overwhelming if we stand together. How often have you read of the powerful ILWU in the papers the last few months? Well, what about the employers? What about their power?

We know how disjointed the ILWU were away from the table during negotiations, the in-fighting and disarray, but when they came back to the table they presented a united front. That should have taught us a lesson. I bet we find when we become united that we open not only our own eyes at our strength and ability, but also the eyes of the ILWU.

After all, there are significant mutual interests, and these interests are at risk. Go back to what I said earlier about what shippers are saying. Remember what port managers are looking at. Maybe we can express these risks in still another form, tonnage reports.

A very large percentage of the containers which pass through the West Coast are best described as discretionary tonnage. The following chart reflects the total number of containers imported and exported through U.S. Ports in 1995. The container TEUs have been pro-rated throughout the United States based on projected 1995 population data.

