

## Arbitrator's Decision 06/14/1957 Interim Review of Hours, Wages, Holidays, and Contributions

IN ARBITRATION PROCEEDINGS PURSUANT TO EXTENSION AGREEMENT OF MAY 25, 1956, OF CURRENT PACIFIC CAST LONGSHORE AGREEMENT AS AMENDED:

In the Matter of Controversy

between

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION,

Complainant

and

PACIFIC MARITIME ASSOCIATION,

Respondent

June 14, 1957

Interim Review on Hours; Holidays; Skills Pay Differentials; Wages and Welfare Plan Contributions.

OPINION AND DECISION

of

SAM KAGEL

PACIFIC COAST ARBITRATOR

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INTRODUCTION

The Extension Agreement between the parties dated May 25, 1956, provided for a review date of June 15, 1957. The parties having failed to settle certain matters between them referred such issues to the Coast Arbitrator for decision. (Jt.Ex. 1e)

The Extension Agreement provides that any award rendered by the Coast Arbitrator shall become effective 8 A.M. on the Monday nearest the review date. This award and decisions contained therein shall therefore be effective as of 8 A. M., Monday, June 17, 1957.

It was agreed between the parties that this arbitration award and the decision contained therein shall amend the applicable provisions of the following agreements between the Union and the Employers:

Pacific Coast Longshore Agreement:

Pacific Coast Master Agreement for Clerks;

Checkers, and related classifications;

San Francisco Carloading Agreement;

Los Angeles Sweepers Agreement;

Los Angeles-Long Beach Harbor Carloading Agreement;

Portland and Vancouver Dock Agreement;

Portland Gear and Lockermen Agreement; and

Seattle Dock Workers Agreement

## THE ISSUES

### Introduction

The issues to be decided deal with hours, holidays, skill pay differential wages and welfare contributions. Though these issues are being heard during an interim review period, the time scope of the inquiry differs as between the issues.

It is now well settled in this industry and accepted by the parties that in an interim wage review the important question is: What has happened to the pertinent wage determining factors since the date that the current wage scale was set? The current wage has been in effect since October, 1956. The wage review therefore covers a period of approximately eight months. The consideration of the specific factors will be noted in the discussion of the wage issue.

This time limitation as to the scope of the inquiry should not apply to the remaining issues in this arbitration. In the instances of the other issues the parties are entitled to have the review cover the period from at least the time the parties first agreed upon or last changed the present existing terms of the issue involved. And in this arbitration therefore the other issues in all instances still relate back prior to October 1956. The discussion of each issue will indicate the specific factors to be noted.

Both parties suggested that their respective positions on each of the issues be viewed against certain backdrops. The Union depicted what it claimed was a favorable economic climate, and the threat of mechanization, which it urged favored granting all of its demands. The Employers emphasized that while some improvement has been made in labor relations on the job, there is still such a lack of progress in "conformance and performance" of the agreement that in equity additional costs that would result from the Union's demands should not be placed upon the industry at this time.

### The Economic Climate

The Union urges that the economic climate is favorable to wage increases, and cost changes in the agreement. And that the shipping industry "is doing well and profitably." The Union characterizes the business situation as "exceptionally good." (Tr. Vol. 1-p. 15-29, Union Exs 1-6 incl.)

While not pleading financial inability to meet the Union demands, the Employers urge that added costs and competitive problems are items which must be controlled and cured for the mutual interest of the longshoremen and the industry. (Tr. Vol. 3 p. 267-269, 321-323)

Both parties are concerned with mechanization, and the introduction of new methods in the industry. Both parties draw different conclusions from the development. But admit that these changes must be mutually considered and worked out. (Tr. Vol. 2p. 175-187, vol. 3, p. 267-269, PMA Ex. 11)

### "Conformance and Performance"

P.M.A. placed in the record a report of its contract relationship with I.L.W.U. that adds up to approximately as follows:

1. There has been improvement in eliminating the detrimental operation of the "whipsaw." That the parties are in agreement as to the ultimate desirability of a uniform expiration date of the agreements in existence on the various coasts for the purpose of further relieving or eliminating the "whipaw" process.
2. As to jurisdictional problems, i.e. scope of work, the parties have been operating under a "status quo" understanding. And progress has been made in eliminating jurisdictional disputes.
3. Some progress has been made in eliminating "job action," and using the safety provisions of the agreement as a "gimmick".
4. That as to the program of "conformance and performance" of the agreement, no progress or improvement has been made.

The complaints made by P.M.A. were set forth in Joint Exhibit 1(f). A document to which the Union is a signator. The complaints involve the type of practices illustrated by "4 on and 4 off", "shirt time", "late starts" and "early quits", etc. Most of the complained of practices are imposed unilaterally by individual longshoremen and some of the local unions.

Contrary to the status of charges made in past years by the Employers, I.L.W.U. candidly and with forthrightness acknowledges the existence of those practices, the elimination of which constitutes the "conformance and performance" program. (Jt. Ex 1(f)). And P.M.A. awards to the International Union both sincerity and good faith in seeking to implement this program. (Tr. Vol. 4 p. 459)

P.M.A. states that it is not requesting the Coast Arbitrator in this case to act as a policeman concerning these complaints; or to order in this arbitration any corrections of the alleged wrongdoings, or to mete out any punishment because of these alleged abuses. (Tr. Vol. 3, p. 242, 256)

#### Coast Arbitrator's Comments on Respective Positions

As requested by both parties the Coast Arbitrator did consider the evidence in this case against the backdrops suggested by the parties. Though no specific weight was assigned these suggestions they necessarily constituted points of reference from which to view the parties positions on each of the issues submitted for decision.

Certainly the economic climate was noted. As was the problem of mechanization.

The record in this case is conclusive that P.M.A. and the I.L.W.U. have evolved a relationship which is marked by candidness and forthrightness in their dealings. The evidence is clear that there is an abundance of good faith and mutual respect.

Most important is the fact that the parties have isolated the problems that require immediate and constant attention. "Conformance and Performance", mechanization, new methods, manpower and others.

The immediate solution and alleviation of these problems must extend beyond the efforts of P.M.A. and the International Union. It must include the complete cooperation and constructive attitude of the individual longshoremen on the job, of the local unions, of the employer representatives in the Ports, and on the docks.

And time is of the essence for all parties. Continued "non-conformance and non-performance" can only add irreparable harm to Longshoremen and Employer alike. The failure to immediately face up to the problems of mechanization, new methods, and manpower likewise will result in mutual harm to the parties. Constructive efforts should not be left to be accomplished only at contract review time. But should be expended by all parties continuously during the entire contract year.

#### 1. HOURS ISSUE, LONGSHOREMEN AND CLERKS

##### Proposal

The Union proposal on the issue reads as follows:

"Amend present contract provisions dealing with hours so as to limit work shifts to 8 consecutive hours of work in any one shift with additional hours numbering from one to three to be added in the event ship is shifting from berth to berth, port to port or sailing. The number of hours to be added to a shift in the event of ship shifting or sailing to be conditioned on number of shifts scheduled within a work day." (Joint Ext. 7)

Section 2 (d) of the Longshore Master Agreement is entitled "Nine Hour Maximum Work Shift." Section 6 of the Clerks Agreement deals with the same subject. The Union proposal seeks to reduce the 9 hour shift to a maximum 8 hour shift.

##### Union's Position

The Union urges the reduction of hours because of the inconvenience of the long spread of hours required to work a 9 hour shift. Including traveling time, from home to the job and back home, it was estimated that there is a spread of from 12 to 13 hours within which the 9 hour day is worked. (Tr. Vol. 2, p. 167, 171, 174)

An additional reason advanced for the proposal is the growing mechanization in handling cargo. And the resultant feeling of insecurity concerning work opportunities. (Tr. Vol. 2, p. 175-187)

##### P.M.A. Position

The P.M.A. points out that the proposal of the Union is incomplete in that it does not contain specific details necessary to properly consider it. That in any case the proposal should be denied because there are current gang shortages in some of the ports. (P.M.A. Exs. 25, 26, 27) That a change in ours at this time could only aggravate the current manpower problem.

##### Discussion

The 8 hour day as the Union points out is an industrial reality. (Union Ex. 28, 29, 30, 31, 32) The Coast Arbitrator does not discern an attitude upon the part of P.M.A. in opposition to the principle of the 8 hour day as such.

Reducing the hours at this time is directly tied in with the numerous problems which have been placed in this record by both parties. And which have been hereinbefore noted. An effort should be made by the parties to solve all of the problems correlative to that of a reduction in hours.

The state of the record in this arbitration, and the framing of the issue does not permit a granting of the proposal at this time. The corollary problems referred to, the effect of the proposal on the many working rules that would be affected, the specific detail as to shift operations. All of these factors would have to be weighed.

## 2. SIX HOUR DAY ISSUE: CLERKS

### Union Proposal

The Union proposal on the issue reads:

"Amend present hours provisions in Clerks Agreement in order to remove present existing inequities between longshoremen and clerks, i.e., longshoremen working with clerks and receiving overtime at 3 P.M. with clerks continuing to work until 5 P.M. at straight time rate." (Jt. Ex 7)

### Discussion

Consideration has been given the evidence placed in this record on this issue. (Union Ex. 24, 25, 26 Tr. Vol. 2 p. 101-134; P.M.A. Ex. 32, 33, 34)

The matter of converting the clerks 8 hour day to a specific 6 hour straight time day is part of the overall problem of hours of work currently existing in the longshore industry. The request of the Union therefore for the specific establishment of the 6 hour day should be considered together with the problem on hours outlined under the discussion of the request for the 8 hour maximum shifts.

However, some alleviation of the effect of the clerks eight hour day is in order. This is discussed and ruled on under the wage issue.

## 3. HOLIDAY ISSUE: LONGSHOREMEN AND CLERKS

### Union Proposal

The Union request reads:

"Amend hours provision of contract to provide for three paid holidays, specifically, Independence Day, Labor Day and Christmas Day. (Jt. Ex. 7)

The Union proposal would apply to "& employees who have on the basis of the previous year earned a vacation, which in our case is 800 hours as a minimum, with certain exceptions set forth in the vacation provision of the contract." (Tr. Vol. 2 p. 194) There is no condition to be met with in the year that the holiday falls in order to get the paid holiday except having become eligible by virtue of 800 hours of work in the preceding year. (Tr. Vol. 2 p. 195)

### Discussion

The record on this issue was considered. (Union Ex. 16, 37, 38). The state of the record offers no fair basis upon which to grant the Union's proposal at this time.

## 4. SKILLS ISSUE: LONGSHOREMEN

### Union Proposal

The Union proposes that those classifications such as winch drivers, hatch tenders, etc. (the detail classifications are set forth in Jt. Ex. 7 and see Tr. Vol. 3, p. 285) who now have a 10 cent skilled rate per hour above the basic rate be increased to 25 cents skilled rate.

That crane drivers, cleat track operators and bulldozers drivers have the present 25 cent skill differential increased to 50 cents. (Jt. Ex. 7)

### Union Position

There have been no changes in the skill rates since 1934 in the instances of those skills whose rate was set at that time. Since 1934 rates have been agreed upon for certain skills and included in the Agreement. But once the differential was established there has been no change in those rates up to the present.

The numerically largest group of skills includes the winch drivers and hatch tenders. Their present 10 cent skill differential was set in 1934. The 10 cent differential was 11.8% of the basic straight time rate set in 1934 (85 cents per hour) At the present rate of \$2.45 per hour, the 10 cent differential is 4.1% of that wage. (Union Ex. 19, Tr. Vol. 1, p. 80)

The Union points out that there has been a trend toward special wage increases for skilled workers. (Union Ex. 21, 22, 23. Tr. Vol. 1, p. 84, 87-93)

### Employers Position

That the Union proposal tends to develop a work force of specialists. That specialists many times refuse to perform other and normal longshore tasks. That the present skill differentials compare favorably with skill rates on other Coasts and Hawaii (P.M.A. Ex. 22, 23, 24, Tr. Vol. 3, p. 282-298)

### Discussion

Considering the evidence on this issue an adjustment in the skill rates is justified. The fact is that the numerically largest group of skill have had no change in their rate since 1934. And none of the skill differentials are set up as percentages of the base rate.

An increase of 5 cents in the present straight time hourly skill differential applicable to all the existing skill rates would be proper at this time.

## 5. SKILLS ISSUE: CLERKS

### Union Proposal

The Union proposes that supervisors present skill differential of 10% above the base clerk's rate be increased to 20%. And the present rate of 20% skill differential for supercargoes and chief clerk be increased to 30%. (Jt. Ex. 7. Tr. Vol. 2. P. 120).

### Union Position

The present differentials have been in effect since 1949. And in some of the past earlier. The Union concedes that because the differentials are written on a percentage basis the supervisors and supercargoes have in fact advanced moneywise proportionately to the clerks. (Tr. Vol. 2. P. 121). But the Union argues that the present differentials do not adequately reflect the responsibility, work and skill performed by these classifications. (Tr. Vol. 2, p. 121, 122-144).

### Employers Position

That the percentage wage treatment of clerks skill has been advantageous to the clerk skills. That no case was made out to establish the claim of additional responsibility and work. (Tr. Vol. 3, p. 289-290).

### Discussion

As contrasted with longshore skill rates the clerk skills wage differentials are related percentage-wise to the clerk base rate. Thus the clerks skill differentials have increased over the years as the clerks base rate has been changed upward. The clerk skill differentials will likewise further profit from the change made in the clerks base rate by this award and decision. No justification appears at this time therefore to further affect the skill differentials by increasing the percentages applicable to the clerks base rate.