Moving right along

Pogo and the PMA

BY THEODORE PRINCE

As the Pacific Maritime Association prepares to negotiate its next contract with the International Longshore and Warehouse Union, perhaps it should bear in mind the memorable words of Pogo, the comic-strip possum, who routinely remarked, "We has met the enemy — and it is us."

The West Coast is at a watershed. In advance of next year's coastwide bargaining with the ILWU, this year's negotiations with the Office Clerical Union shows that demands for increased compensation will continue.

However, shipping lines may no longer be willing to absorb a seemingly never-ending labor cost spiral. A cursory review of the PMA's problems might point to some alternatives that would allow both parties to arrive at an equitable settlement.

Lines may wish to consider the economic impact of resisting labor's demands. Traditionally, shipper lines have looked upon labor interruptions as too costly to risk. Not only is it expensive to have a vessel tied up, but there are also far-reaching commercial considerations.

No line wants to lose cargo due to a shipper's concern about possible labor unrest. Unfortunately, conceding to short-term disruptions can bring about huge, long-term expenses.

First, lines must stop exploiting their competitors' labor woes for their own gain. Commercial concern is exacerbated by competition. It is not unusual for lines to gain business by hinting at their competitors' possible labor problems. This is especially common overseas. Rather than abandon a line that may be taking a strong position against labor — which actually benefits the entire industry — lines should support their colleagues.

Second, lines need to clean up their organizations and remove their pipelines to labor. I refer to individuals who may even be involved in formal labor relations and who seem to rely on creating labor chaos in order to make themselves necessary. Like pyromaniac firemen, they wreak havoc within the industry. The entire management team is undermined, expensive labor practices are allowed to continue and proliferate, and any possible chance at constructive dialogue is lost. Since such individuals do not remain undetected for long, a line (or terminal) may find itself an industry pariah and may be continually unable to become part of any constructive solution.

Third, lines should stop fighting each other in operations. A lack of trust permeates the industry. Since the last contract, the industry has been trying to cope with the issue of side deals between terminals and labor — and the associated extra pay.

Ironically, both sides had a vested interest in eliminating this practice. The union sought to end it because it feared employees becoming closer to the employer than to the union. PMA sought to end the practice because it caused an inflationary surge in labor costs.

Yet many industry observers feel that these deals have remained. First, the widespread disparity in productivity would lead some to suspect that incentives are in force. Second, although some recent terminal changes have resulted in a written "understanding," the PMA has been unable to obtain copies. The days of the U.S.-flag steamship lines determining what is acceptable to the entire industry are gone. Many foreign lines need to become much more involved in contract negotiations. They need to become more involved in the process, for they are critically affected by the results.

First, foreign lines must recognize that U.S. labor relations are different. Perhaps a good starting point would be more participation in lawsuits for unauthorized labor disruptions. Although costs are high, some lines prefer not to sue organized labor to recoup their expenses. In some cases this may arise from certain cultural differences. In many countries, there is no concept of lawsuits as a tool for negotiation. Also, in many countries, the adversarial roles of labor and management are not nearly as clear as they are in this country. In some countries, labor unions are company unions.

Second, foreign lines need to exercise their full electoral strength. The PMA format may appear flawed, however these problems may be ones of execution rather than design. Traditionally, American companies — lines and terminals — led the negotiations. Although the voting power resides with lines that have shipping interests other than just containers, these foreign lines have traditionally been loath to flex their muscle. It is no longer acceptable for major shipping lines to avoid their organizational responsibility.

Let's see management stop replaying the battles of the last 25 years and begin to look ahead. There may be many labor practices that seem excessive today, but they did not suddenly appear. Somewhere, sometime, someone in management must have agreed to the practice. That is how it became a past practice.

Joe Minnace, PMA president, seems ready to lead and with hope, his organization will back him. He is not anti-labor. He has stated that a strong union is a right as much as is strong management. He also recognizes that the future of the industry requires technological advances. The impact of computers today may be as great as that of containers 30 years ago. This will require very intense negotiations, which can be effective if pursued by a management team that is every bit as united as labor.

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