



## Pacific Maritime Association

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### Statement by PMA President Jim McKenna to the Los Angeles Board of Harbor Commissioners

March 21, 2019

Good morning, commissioners. I am Jim McKenna, president and CEO of the Pacific Maritime Association. The PMA negotiates and administers labor agreements with the ILWU. We have 70 member companies, including APM Terminals and Maersk.

The agreements between the ILWU and PMA have played an important role in the success of West Coast ports. This dates back to 1960 with the Mechanization & Modernization Agreement that ushered in the era of containerization on the West Coast.

The three most recent contracts have further advanced innovation on the waterfront. The 2002 contract allowed for modern technology. The 2008 contract explicitly authorized automation. And the 2014 contract improved the arbitration process.

Thanks to the 2002 contract, we were able to replace clipboards and chalk with scanners, GPS and optical character recognition technology. Since that landmark 2002 agreement, the waterfront has thrived...with the ranks of longshore members in Southern California growing by more than 60 percent.

The next agreement, signed in 2008, explicitly acknowledged employers' right to automate – and gave the ILWU expanded jurisdiction to maintain and repair new automated or robotic equipment. Since then, two terminal operators have moved forward with automation projects in Southern California.

During our 2014 contract negotiations, the parties agreed to a very clear process to arbitrate disputes to ensure that both sides get a fair hearing. The Coast Arbitrator – jointly appointed by both sides – is the final word on our contract.

The Coast Arbitrator has ruled that the expanded jurisdiction secured by the ILWU in 2008 - and I quote - "was a huge gain for the Union which in turn agreed to reinforce the Employers' right to utilize automated container handling equipment..."

As the PMA executive who led negotiations for the 2008 and 2014 contracts, I can tell you with 100 percent certainty that APMT and other employers have the absolute right to automate terminals.

I ask the commission to respect the labor agreements the parties have negotiated, and to rule on the appeal based on the specific requirements of the Level 1 Coastal Development Permit.

Thank you.