ILWU working without contract at Northwest grain terminals

By DON McINTOSH
Associate Editor

Last February, after a long and ferocious fight, International Longshore and Warehouse Union (ILWU) made deep concessions in a first-time union contract with EGT, the stand-alone operator of a new grain export terminal in Longview, Washington. Now that company's unionized competitors — who negotiate together in the employer group known as the Pacific Northwest Grain Handler's Association (PNGHA) — want similar employer-friendly terms in their labor contract with the union. All of the elevators are owned by huge multinational corporations, many of them foreign based.

So in September, when bargaining began between ILWU and PNGHA over a new Northwest Grainhandler's Agreement, PNGHA demanded more than 750 concessions, said ILWU spokesperson Jennifer Sargent in a press statement. It would have been like gutting the old contract and starting over.

The talks ended Dec. 12 with no agreement, and ILWU reported that members voted to reject PNGHA's final offer Dec. 21 and 22 by 93.8 percent. At that point, three PNGHA employers announced they would impose their terms: Louis Dreyfus Commodities, a Dutch company that owns grain elevators in Seattle and Portland; Marubeni Corp., a Japanese company that owns Columbia Grain in Portland; and Mitsui & Co., a Japanese company that owns United Grain in Vancouver, Wash.

That provoked a strange kind of standoff. Beginning Dec. 27, union longshore workers at these terminals continued to show up for work, but without a union contract. They're free to strike at any time, but the employers are also free to replace them, and they're reportedly prepared to do so, with strikebreakers and nonunion tugboats reportedly at the ready.

"The men and women of the ILWU have been exporting grain from these Northwest elevators since 1934 and intend to continue working despite the substandard provisions of the employer's last offer," the ILWU said in a press release. "We are reviewing the multinational employers' letter and we're disappointed that they haven't accepted the union's invitation to continue negotiating to reach a fair agreement with local workers."

Meanwhile a fourth employer that was a part of PNGHA— TEMCO (a joint venture between CHS and Cargill) — indicated to the union that it's comfortable with the previous agreement, and reportedly is maintaining the old contract terms at its terminals in Tacoma and Portland. TEMCO is no longer bargaining with PNGHA, PNGHA spokesperson Pat McCormick told the Labor Press.

Nearly 3,000 longshore workers are directly affected by the contract dispute, including members of ILWU Local 8 in Portland; Local 4 in Vancouver, Washington; Local 19 in Seattle; and Local 23 in Tacoma. Members of those locals historically work under the Northwest Grainhandler's Agreement when they're dispatched to load grain ships, and under a separate contract with the Pacific Maritime Association when they're dispatched to load and unload container ships.

Neither side has said exactly what's preventing an agreement, but both say the dispute is about work rules, not wages or benefits. PNGHA said in a press statement that longshore workers earn \$34 to \$36 an hour under its offer, with an additional \$30 an hour for benefits.

Workers also make \$34 an hour under the EGT contract in Longview. But McCormick said other provisions in the EGT contract give it substantial cost advantages, jeopardizing competitors' market share.

"The reason this organization has bargained on behalf of a range of terminals is to avoid those kinds of competitive distortions," McCormick said.

The EGT contract permits mandatory 12-hour shifts, limits control room operations to managers, and gives management broad latitude to make new rules, change methods, and discipline employees, without requiring input from workers. It also circumvents the union hiring hall, allowing the company to make permanent hires and requiring the union to maintain a separate list of "pre-qualified" workers who can be hired and fired at management's discretion. And it provides stiff sanctions for strikes and other on-the-job protest actions. EGT's contract also allows it to use fewer employees to load ships, PNGHA said, and to use elevator employees to assist in ship-loading. It gives the company greater flexibility in start/stop times; permits pay to be calculated in smaller time increments; and allows non-bargaining-unit personnel to perform certain work.

McCormick said PNGHA members would also be willing to accept the same terms EGT got in Longview — or those Kalama Export Company got in a subsequent contract.

Nearly half of U.S. wheat exports and more than a quarter of all U.S. grain exports move through Columbia River and Puget Sound grain terminals.

The ILWU newspaper The Dispatcher reported that the Port of Vancouver handled 16 percent of all U.S. wheat exports in 2011, some 3.6 million tons.

... Michigan right to work

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vember ballot measure sponsored by organized labor that would have amended the state's constitution making right-to-work laws unconstitutional. Business-backed groups spent \$31.5 million to defeat the measure.

Michigan state Rep. Brandon Dillon, D-Grand Rapids, called the ensuing right-to-work bills "petty retribution" for the ballot measure, and he blasted Republicans for fast-tracking them through the Legislature.

"Good ideas get debated and bad ones get rammed through with police protection in a lame-duck Legislature," Dillon said.

But state Republicans didn't have a lot of time. At the close of the 2012 Legislature, Republicans held 64 seats in the Michigan House to the Democrats' 46. The right-to-work bills passed 58-51 and 58-52, respectively, with six Republicans joining all the Democrats in opposition.

In the November general election, Democrats picked up five seats in the House. It wasn't enough to wrangle control of the chamber in 2013, but it likely would have changed the vote tally to 57 against right-to-work becoming law.

No seats in the GOP-controlled Senate (26-12) were up in 2012. Lawmakers in that chamber passed the private-sector right-to-work bill 22-16. Senate Democrats disrupted the vote for several hours by proposing nearly two dozen amendments and delivering lengthy speeches prior to the vote. All 12 Democrats walked out before the vote was taken on the bill impacting public-sector workers. It passed 22-4.

Gov. Snyder, who is in the middle of a four-year term, signed the legislation just a few hours after it passed the House.

The law takes effect in March 2013.

GOP passes another union-busting bill

Before adjourning for the year, the Michigan Legislature also passed a new emergency manager bill, replacing one that voters repealed in November.

Organized labor strongly supported the repeal measure.

The new law contains key provisions from the old law, but includes more choices for local school districts and communities deemed by the state to be in a financial emergency. They will have the option to choose mediation, a state-supervised financial consent agreement, an emergency manager or Chapter 9 bankruptcy. Under the old law, bankruptcy was only an option if an emergency manager determined it was the only viable option.

Emergency managers have the ability to reject, modify or terminate collective bargaining agreements. Cities and school district governing boards could remove the emergency manager after one year by a two-thirds vote. After an emergency manager leaves, local officials would be barred from altering the manager's spending plans, labor contracts and ordinances for two years.

Lawmakers attached an appropriation of \$780,000 to pay the salaries of emergency managers and another \$5 million for the Treasury Department to pay lawyers, financial consultants, and others to work on bankruptcy plans.

The appropriation was a tactical move by Republicans to make the new law repeal-proof under the state constitution.