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**ILWU Stages Widespread Work Slowdowns from Seattle to Los Angeles Ports;
PMA to Close All West Coast Terminals Beginning with Night Shift Today**

-- PMA Plans to Re-Open Terminals Sunday at 8 a.m.--

SAN FRANCISCO, Calif. (September 27, 2002) -- Shipping lines up and down the West Coast reported widespread ILWU-sponsored work slowdowns, beginning with Thursday's night shift and extending to today's morning shift. These actions directly followed a resolution from ILWU headquarters ordering these strike-with-pay actions.

In some cases, the ILWU work actions have ground operations to a halt. In other cases, productivity has plummeted 25 to 90 percent, causing ships to miss their sail times, disrupting rail schedules and leaving valuable cargo idle on the dock.

As a result, the PMA Board of Directors voted unanimously today to implement a defensive shutdown in response to this Union-initiated action. The PMA Board regrets that the Union-initiated slowdowns made this decision necessary. The defensive shutdown will begin with the 6 p.m. shift tonight. The PMA will re-open the port terminals on Sunday morning after the PMA-imposed cooling off period on Saturday. The PMA is prepared to resume normal operations Sunday, and will keep the terminals open as long as the ILWU abides by prior arbitration rulings and contractually required flex hours and extended shifts. The Union must also cease from sabotaging equipment.

"The ILWU is engaging in a coordinated work action designed to cause economic damage to our member companies. We will not tolerate the Union's calculated work actions, and have exhausted every option to keep peace on the waterfront," said PMA President and CEO Joe Miniace. "The Union has flat out refused to keep peace. They have rejected the option of extending the contract. They have rejected third-party mediation. They have rejected arbitration. Rather, they have engaged in a widespread job action that has brought the West Coast waterfront to its knees, and by extension, this Union is causing harm to the national and international economy."

The ILWU-sanctioned slowdowns come 24 hours after the Union recessed from contract talks with the PMA. The Union, dissatisfied with the course of the contract negotiations, has resorted to using slowdown tactics to inflict economic pain on the shipping companies as a means of gaining leverage in negotiations.

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The Union's continued refusal to agree to daily contract extensions, as well as its resolution passed yesterday, are clear declarations of work slowdowns. Without a contract, there is no arbitration process for resolving disputes and illegal work actions by the Union. While PMA disputes the legality of these coordinated work actions, ILWU President Jim Spinosa has made his intentions clear in a recent Union press release: "Without a contract, all economic and job actions against the employers are legal and open as options for the union."

"Work slowdowns are how this Union strikes, and they want to be paid for it," Miniace said. "ILWU members are effectively striking while working, causing the threat of economic hardship on four million American workers whose livelihoods depend on these ports, as well as the thousands of companies whose cargo is being held hostage at the terminals. The PMA will not pay ILWU members to strike and wreak havoc on the U.S. economy," he added.

Work actions were reported at terminals in Seattle, Tacoma, Portland, Oakland, Los Angeles and Long Beach. Several examples follow:

In Portland, ILWU members refused working a grain ship, alleging a safety concern because a U.S. Customs official, carrying a weapon, was on board inspecting cargo.

In Los Angeles, the Union failed to dispatch adequate numbers of workers to terminals, while in Oakland, one crane driver moved three containers per hour when the three-year average for the vessel being worked is 30.

At the Matson terminal in Oakland today, one crane was moving 12 containers per hour, despite averaging 30 per hour over the past three years. That ship missed its sail schedule by at least one day.

The cargo ship, Hyundai Emperor, docked in the Port of Portland, experienced an average of 5 container moves per hour this morning against an average of 21.68 moves per hour. During the evening shift, this ship experienced 11.1 moves per hour.

In Tacoma, an Evergreen ship being worked at the MTC terminal is experiencing 10-12 container moves per hour against an average of 32. A K-Line vessel was producing 11.4 container moves per hour against an average of 26.35. Maersk operations in Tacoma were operating at 50 percent of normal today. The ILWU failed to dispatch any labor to unload the ship during the midnight shift.

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In Los Angeles/Long Beach, the Union refused to work extended shifts, violating its ongoing agreement with PMA. In addition, the ILWU also failed to post clerk positions in the casual hiring hall, thereby violating an arbitration award.

At the Hanjin terminal in Southern California, ILWU clerks stopped working, alleging that a gear certification on a piece of equipment had expired, even though a 90-day extension of that certificate was in place. The clerks then alleged erroneously that the signatures on the extension were forged. At the new Maersk terminal in Los Angeles, congestion is so severe that 250 trucks are stuck at the in-gate, with 150 lined-up at the out-gate.

A chronology of the ILWU's actions and statements related to work slowdowns as a bargaining tactic is attached.

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Describing a Work Slowdown – In the ILWU’s Own Words

The ILWU has a pattern and practice of engaging in work slowdowns during contract negotiations, despite official statements to the contrary. ILWU-sanctioned slowdowns occurred during the 1996 and 1999 contract talks, and are being used in the 2002 negotiations as a tactic to gain leverage with the Pacific Maritime Association.

ILWU Members Confirm Slowdowns are a Tactic

Union members’ quotes in recent news reports confirm that slowdowns are a practice of the ILWU. Said Jay Luera, Secretary-Treasurer of ILWU Local 13, in the *Los Angeles Times* (9/21/2002):

“A slowdown is when you go to work and work slowly. You work to the safety contract. You follow the posted speed limit of 10 miles an hour. You don’t work overtime. Maybe everybody takes their lunch at the same time.”

Added ILWU clerk Tom Warren in the same *Los Angeles Times* story:

"You see nothing but trucks down the streets, lined up outside the terminals. Nothing moves as fast as normal. Guys don't drive so well ... people's problem-solving skills are suddenly, shall we say, diminished."

ILWU Uses the Dispatch Tape to Send the Slowdown Message

During the 1999 contract negotiations, the ILWU used its dispatch audio tape to communicate the slowdown message. As reported in the *Wall Street Journal* (7/14/1999) on the day of a severe work slowdown at the Port of Oakland, the ILWU dispatcher recorded the following message to workers:

“You know the story we used to hear about when we were kids, the story between the tortoise and the hare? You get my meaning, enough said.”

Refusing to Extend the Contract Opens the Door

The ILWU conducts work slowdowns when there is no contract, and consequently no arbitration mechanism, in place. ILWU President James Spinosa, in an ILWU press release the day the Union refused to extend the contract (September 2, 2002), said:

“Without a contract all economic and job actions against the employers are legal and open as options for the union.”

Added ILWU’s Steve Stallone in the *Los Angeles Times* (September 3, 2002):

“It means we are not bound by any agreement and we can legitimately take job actions any time we feel like it.”

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