



United States Maritime Alliance, Ltd.

HOW PORT MODERNIZATION IS CRITICAL TO SUPPORTING THE FUTURE OF THE MARITIME INDUSTRY AND THE ILA

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Modernization and investment in new technology are core priorities required to successfully bargain a new Master Contract with the ILA – they are essential to building a sustainable and greener future for the U.S maritime industry.

Port Modernization is a Necessity

Port operations must evolve, and embracing modern technology is critical to this evolution. It means improving performance to move more cargo more efficiently through existing facilities – advancements that are crucial for U.S. workers, consumers, and companies.

Due to the lack of available new land in most ports, the only way for U.S. East and Gulf Coast ports to handle more volume is to densify terminals – enabling the movement of more cargo through their existing footprints. It has been proven this can be accomplished while delivering benefits to both USMX members and to the ILA.

Evolution Delivers More Jobs and Higher Wages

USMX is not, nor has it ever been, seeking to eliminate jobs, but to simply implement and maintain the use of equipment and technology already allowed under the current contract agreements and already widely in use, including at some USMX ports.

A USMX terminal where modern crane technology was implemented more than a decade ago was previously limited to a 775,000-container capacity using traditional equipment. Yet, that same terminal nearly doubled its volume after incorporating the use of modern rail-mounted gantry cranes into its daily operations.

The added capacity delivered an equal increase in hours worked, leading to more union jobs, as the terminal went from employing approximately 600 workers a day to nearly 1,200. Moving more containers through the existing terminal footprints also means higher wages from the increased cargo, bringing in more money for volume/tonnage bonuses.

Partners in Creating a Sustainable Roadmap for the Future

Our priority has been, and continues to be, using technology to improve our efficiency, safety, capacity, and productivity. We cannot risk moving the industry backward with unworkable restrictions on the implementation of modern technology already in use – and permitted by the existing contract – which would serve only to decrease efficiencies at ports, reduce existing capacity, prevent increased cargo volumes and throughput, and block further growth in union jobs and wages. We need to ensure we are strengthening an increasingly complex supply chain and supporting port resilience to weather disruptions or surges in trade volumes, so that we are facilitating robust growth across the U.S. economy.

Strategic investment in new technology and modernized operations does not mean fewer jobs. Instead, it will create new opportunities for the ILA. We need a Master Contract that allows us to plan for the future and to ensure that the ILA are our partners in charting this path forward.

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