

# USMX MEMBERS RATIFY NEW SIX-YEAR MASTER CONTRACT

## *Vote Concludes 13 Months of Negotiations with Longshoremen*

NEWARK, N.J. (April 17, 2013) --- After more than a year of bargaining, members of the United States Maritime Alliance, Ltd. (USMX) voted today to ratify a new six-year Master Contract with the International Longshoremen's Association (ILA). The approval came eight days after ILA members voted overwhelmingly to ratify the contract, which covers 14,500 port workers on the East and Gulf Coasts.

Meeting near the Newark International Airport, representatives of the 43 container carriers, terminal operators and port associations that comprise USMX's membership, voted their approval of a contract that includes three \$1-an-hour wage increases over the six-year life of the agreement.

In separate votes last week, ILA members at 11 of the 14 East and Gulf Coast ports, including the Port of New York and New Jersey, the largest on the East Coast, approved separate local agreements covering work rules and other issues.

"The final approval of the Master Contract will come as welcome news to shippers, shipping companies, port operators and the tens of thousands of American workers whose livelihood depends on the smooth operation of the ports," David F. Adam, USMX chairman and CEO, said. "Throughout the course of the negotiations both sides recognized the stakes involved and the importance of reaching an agreement that would ensure the unfettered movement of the more than 110 million tons of containerized cargo shipped in and out of the ports each year."

Adam also praised Federal Mediation and Conciliation Service Director George H. Cohen and his team for helping keep the negotiations on track. "When the parties couldn't find solutions, Mr. Cohen came up with suggestions that kept us at the bargaining table, which in the end led to agreement on the Master Contract," Adam said.

In addition to the wage increases, the Master Contract maintains starting pay for new employees at \$20 an hour but shortens from nine to six the number of years it will take to reach the top of the wage scale.

The contract also guarantees that carriers will fund the annual container royalty payments at \$211 million, the amount paid in 2011, plus up to an additional \$14 million for administrative expenses, and share equally with the ILA any container royalties that exceed \$225 million.

Another provision of the agreement will protect the jobs of workers displaced by the introduction of new technology and automation at the ports. The contract also provides that employers will promote continued ILA jurisdiction over chassis maintenance and repair work within the marine terminals and port areas covered by the contract.

Negotiations on a new Master Contract began more than a year ago to replace the agreement that expired on Sept. 30, 2012. Both sides agreed twice to extend the contract and to continue bargaining under the auspices of the FMCS.

Since 1977, USMX and its predecessor organizations have successfully negotiated nine new contracts with the ILA without a single strike or coast-wide work stoppage.

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United States Maritime Alliance, Ltd. (USMX) represents employers of the East and Gulf Coast longshore industry. They include 24 container carriers, including the 10 largest carriers worldwide, and every major marine terminal operator and port association on the East and Gulf Coasts.