ILA ratifies new six-year deal with higher entry pay, automation protection

Michael Angell, Senior Editor | Feb 26, 2025, 11:53 AM EST

Members of the International Longshoremen's Association (ILA) have approved a new six-year master contract covering US East and Gulf coast ports that not only includes a hefty raise for all dockworkers but an even higher salary bump for new hires. The new contract is retroactive to Oct. 1, 2024, and will be in effect until Sept. 30, 2030. It will be signed in the next two weeks.

While the union secured further protections against automation, maritime employers won room for efficiency gains through remote operation of terminal equipment and the use of operator assistance technology at ports.

The ILA said late Tuesday that a majority of <u>its 45,000 registered members</u> ratified <u>the new contract</u> that was tentatively agreed to in early January between union leadership and the United States Maritime Alliance (USMX).

ILA President Harold Daggett said in a statement the contract, which involved three years of negotiations and a three-day strike last October, is a "gold standard" for labor thanks to its wage and benefit increases and protections against technology that could impact labor.

"The ILA stayed strong and unified throughout and successfully won the greatest contract in ILA history and maybe the strongest collective bargaining agreement ever negotiated by any union," Daggett said.

The ILA highlighted the 62% wage increase as measured against the contract's top wage tier, equating to an average \$4 per hour raise for all dockworkers during the contract's term. But the contract also includes other wage concessions that mean the lowest-paid longshore workers will receive even larger percentage wage increases.

The starting wage for first-year longshore workers goes from \$20 per hour to \$27 under the new six-year agreement. By 2026, the starting wage will increase to \$30 per hour. The new contract also includes four wage tiers instead of the six under the previous master contract, allowing longshore workers to climb up the pay scale faster.

A marine terminal source familiar with the new contract says that the higher starting wage means a 35% increase for new longshore workers in the first year alone.

Automation protections

The ILA also touted the new agreement's provisions for the implementation of new technologies at ports.

Much like the previous agreement, the new contract includes a ban on marine terminals implementing any type of full automation that is devoid of human oversight. The implementation of semi-automation technology at marine terminals will have to undergo a more thorough vetting process.

During contract negotiations, the ILA drew a hard line on the further rollout of rail-mounted gantry cranes (RMGs), saying the technology impacted jobs for longshore workers.

Under the new agreement, the ILA secured a guarantee that at least one longshore worker will handle each RMG.

However, maritime employers also secured the ability to have RMGs, along with rubber tire gantry cranes, operated remotely, which saves time on shift changes. Marine terminals will also be able to use operator-assistance technology at marine terminals.

The contract is expected to be formally signed on March 10.

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